Policy Documents 4 of 5

Rebune

From:

JHARRNGTN@aol.com%internet [JHARRNGTN@aol.com]

Sent: To: Monday, July 16, 2001 4:42 PM JHARRNGTN@aol.com%internet ashbc@texaco.com%internet

Subject:

Cc:

C/LAA Central American Energy Integration Initiative - Request for Suggestions

Dear C/LAA Energy Business Team:

We agreed at our Energy Business Team meeting on May 30, 2001 at the U.S. Department of Energy to put a high priority on a new Central American Energy Integration Initiative. This note is to propose some tentative steps to carry out this initiative and to solicit your comments and suggestions.

As outlined in the report of the May 30 meeting, we see three steps in this process. First, draft a short white paper describing the current state of play of energy integration in Central America; second, hold a roundtable between public and private sector parties in October 2001 in Central America; and third, follow that meeting with a session focused on this topic at C/LAA's Miami Conference being held December 4-7, 2001 at the Intercontinental Hotel.

For input on the white paper, I would appreciate your sending me any information you have dealing with electricity, natural gas, petroleum, or renewable energy that deals with some aspect of integration in Central America. Obviously noting the laws and regulations which either encourage or discourage energy trade in Central America will be important. I will be contacting the IDB to obtain an update on the electricity integration initiative.

We are tentatively looking at the first week in October to hold a roundtable involving public sector energy officials from Central America and members of the C/LAA Energy Business Team. We believe that holding this meeting in Guatemala City will have the side benefit of supporting certain sectors of civil society in Guatemala as well as a recognition of certain significant energy investments in that country. We envision a one to two day meeting involving energy ministers from Central America and senior private sector energy people. This meeting would seek solutions to areas where countries have been having problems politically in the area of energy integration. For this meeting we may well want to invite selected individuals from other regions (e.g., the Caribbean) where the information on energy integration issues would be helpful

Third, we will focus one of the two energy sessions at this year's Miami Conference on this initiative on energy integration in Central America. This meeting, coming two months after the meeting in Central America, will permit an assessment of accomplishments; analyze further difficulties; and lay out a strategy for success for 2002.

I would appreciate ideas and suggestions by next Wednesday, July 25, 2001. Once there is agreement on this process and the timing and location of the meeting in Central America, we will need to develop the details and send out invitations. This will involve contacting the U.S. Embassy in Guatemala City as well as its Chamber of Commerce.

Regards,

John

John M. Harrington, Jr., Ph.D. Senior Economist and Director of Energy Programs Caribbean/Latin American Action 1818 N St. N.W. Suite 500 Washington, DC 20036 Tel: 202-466-7464 Fax: 202-822-0075 Mobile: 703-623-1727

email: jharrngtn@aol.com or jharrington@claa.org

This note sent to: ashbc@texaco.com (Ash, Ben C)), (info@summitconnect.com), (jbowles@advocast.com), (brewsrl@texaco.com (Brewster, Rendell L)), (Stephen_D_Burns@enron.com), (bc64nd68@aol.com), (Jackcarter), (ChaseH@BP.COM (Chase, Howard)), (dacrabtree@tecoenergy.com), (crokem@epenergy.com), (cummiwm@texaco.com), (DagobertoDoug.DelaMorena@equistarchem.com (de la Morena, Dagoberto "Doug")), (mdahlkel@excite.com (mike dahlke)), (decuollo@htinj.com), (richard.t.dobson@exxon.com), (donawkw@texaco.com), (John.D.Donovan@usa.conoco.com), (aedmunds@claa.org), (Theresa.M.Fariello@exxon.com (Fariello, Theresa)), (felio@att.net_Don Felio)), (alfredo.fernandez-sivori@exxon.com), (brian.p.flannery@exxon.com), (foleymt@bpsolar.com), (afuentes@grupoimperial.com.mx), (giroirp@epenergy.com), (ed.w.glab@exxon.com), (dgoldwyn@goldwyn.org), (SGottlieb@oas.org), (jsgraham@ober.com (John Graham)), (laura@ecee.org), (harrisbt@bp.com), (whenry@dukeengineering.com), (joehillings@aol.com(Joe Hillings)), (Jrhorton2@aol.com), (hoyermauro@hotmail.com (Mauro Hoyer)), (rkeene@mclarty.com), (MLambrides@oas.org (Lambrides, Mark)), (m.kay.larcom@usa.conoco.com), (, (RLockh3532), (plookadoo@thelenreid.com (Phillip Lookadoo)), (Mariella.Mahan@enron.com), smarks@travelin.com, (McManusMT@state.gov (McManus, Matthew T)), (kmeiman@mclarty.com (Kellie Meiman)), (lmellin@attglobal.net (Larry Mellinger)), (moreac@texaco.com), (mmuylle@worldbank.org), (jnapoli@duke-energy.com), (peter.mckenzie@eds.com (Mckenzie, Peter)), (mjpeters @duke-energy.com), (DJPlanty@claa.org), (lpoggenpohl@icgti.org), (ramsamdp@bp.com), (tim.richards@corporate.ge.com), (rileyrb@bp.com), (riverpw@texaco.com (Rivers, Phillip W)), (MARomeros), (leticiaruiz@infosel.net.mx (Leticia Ruiz)), (bsanchez@sevenseaspetro.com (Bryan B. Sanchez)), (hsantiago@starpower.net (Hank Santiago)), (rsawaya@cais.com), (nora scheller@email.mobil.com), (aschumacher@bcse.org), (ksherr@pplglobal.com), (ercc@erols.com (Eric Simpkins)), (kylesimpson@morganmeguire.com (Kyle Simpson)), (gthompson@usaid.gov), (Elio.Tortolero@enron.com), (wfwhitsitt@aol.com), (pjwilt@duke-energy.com), (Nohemi.Zerbi@ee.doe.gov), (David.Pumphrey@hq.doe.gov (Pumphrey, David)), (Gary.Ward@hq.doe.gov (Ward, Gary)), (gina.erickson@hq.doe.gov), (Erika.Benson@hq.doe.gov (Benson, Erika)), (Veronica.Angulo@hq.doe.gov (Angulo, Veronica)), (George.PERSON@hq.doe.gov (Person, George)), (MARIA.REIDPATH@netl.doe.gov (Maria Reidpath)), (Randa. Hudome@hq.doe.gov), (Andrea. Lockwood@hq.doe.gov), (Kathleen. De

utsch@hq.doe.gov), (Deborah.Smith@hq.doe.gov), (jaimem@iadb.org)

2

Release

From:

JHARRNGTN@aol.com%internet [JHARRNGTN@aol.com]

Sent: To: Tuesday, July 17, 2001 8:42 AM JHARRNGTN@aol.com%internet smarks@travelin.com%internet

Cc: Subject:

Ideas for Second Energy Session at C/LAA's December Miami Conf?

Dear C/LAA Energy Trustee/Alternate/Business Team Member:

As you know from the earlier communication, one of the sessions at this year's Miami Conference scheduled December 4-7, 2001 will be on Central American energy integration. This will be a follow-on to the tentative session to be held in Central America in October. I am looking for ideas/suggestions on the second energy session. The format of the Conference will be a bit different this year (it is the 25th annual conference!) and there will be two energy sessions with panels. We will also have the "World Energy Outlook" provided by ExxonMobil as was done last year. ExxonMobil has kindly offered to provide that briefing again this year.

I have thought of the following considerations:

- a. It would be good to have something appealing to Caribbean participants.
- b. I don't think we should have a session again focusing on the Americas Energy Business Forum. Perhaps we can convey any progress and discuss issues at the Energy Business Team meeting which will be held in conjunction with the Conference.
- c. C/LAA's overall energy theme is finding appropriate laws and regulations to support energy trade and investment. We had an excellent session on that topic last year. Should that be repeated?
- d. We have had a session dealing with renewable energy/clean energy/energy efficiency/global warming etc at each conference for the past many many years.

With these as considerations, I am open to any and all suggestions. My time frame is short as I hope to have a brief write up by Friday morning. I would appreciate your reply by COB Thursday.

Thanks for your help.

Fax: 202-822-0075 Mobile: 703-623-1727

Regards, '

John

John M. Harrington, Jr., Ph.D.
Senior Economist and Director of Energy Programs
Caribbean/Latin American Action
1818 N St. N.W. Suite 500
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Tel: 202-466-7464

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Erika)), (Veronica.Angulo@hq.doe.gov (Angulo, Veronica)),
(George.PERSON@hq.doe.gov (Person, George)), (MARIA.REIDPATH@netl.doe.gov
(Maria Reidpath)), (Kathleen.Deutsch@hq.doe.gov), (dudleyjl@state.gov)

Williams Gas Pipeline Bob Lewis Chicago Bridge & Iron Company William Lewis PTL Associate Jose Alberto Lima Shell International Gas Bill Lind **ABS** Kurt Lindahl Enron Anthony Lloyd BG Group Frank Look Kin National Gas Company of Trinidad & Tobago Ltd. José María López de Goicoechea Gas Natural SDG William Luthern KeySpan Energy Delivery Kenneth MacArthur ANZ Investment Bank Takeshi Maeda Mitsubishi International Corp. Arne Mansaker Kristian G. Jebsen Group Sonia Marin PDVSA Gas Roger Marks Alaska Department of Revenue Graham Marshall Lloyd's Register Phyllis Martin EIA. DIAF Eugene 4. 3.00 Massey Arent Fox Jeff Matthews Irving Oil Limited Lauri May Williams Gas Pipeline Paul Maynard Whessoe International James McMillan Enron Global Markets Jean-Michel

Merzeau TOTALFINAELF

From:

Pumphrey, David

Sent:

Friday, June 15, 2001 3:15 PM

To:

Benson, Erika; Angulo, Veronica; Person, George; Price, Robert S; Ward, Gary; Lockwood.

Andrea; Erickson, Gina

Cc:

Juckett, Donald; TRAPMANN, WILLIAM; KING, ROBERT; Caudillo, Yvonne; Guerrina,

Donna: Villar, Jose

Subject:

RE: LNG Open Access Issue

Thanks - good summary.

-Original Message-

From:

Benson, Erika

Sent:

Friday, June 15, 2001 2:42 PM

To: Cc:

Pumphrey, David; Angulo, Veronica; Person, George; Price, Robert S; Ward, Gary; Lockwood, Andrea; Erickson, Gina

Juckett, Donald; TRAPMANN, WILLIAM; KING, ROBERT; Caudillo, Yvonne; Guerrina, Donna; Villar, Jose

Subject:

LNG Open Access Issue

After a discussion with Rich Foley at FERC and an e-mail from Bob King in EIA, I have a detailed explanation of the open-access situation for the U.S. LNG receiving terminals.

Boston, who is owned by Distrigas is NOT open-access. LNG is shipped in under a special deal approved in 1988. This agreement was never reopened in 1992 when open-access became an issue. Distrigas under this agreement buys LNG and sells it to their corporate affiliates under a price cap. No one can enter the Distrigas market, it's closed to other buyers and sellers.

Now, all the other receiving terminals, (only one currently operational, Lake Charles), are theoretically open access terminals, but capacity is so limited that long term suppliers hold the market. Lake Charles LNG terminal is owned, operated, and all cargoes are contracted by the CMS corporation. Qatar could not contract with El Paso Energy or Duke Energy for cargoes going through Lake Charles LNG terminal directly. It would have to sell to CMS and El Paso and Duke would have to buy from CMS. This does limit the negotiating maneuver room of Qatar.

For example, the Cove Point project scheduled to reopen soon, had an open season on it's capacity last year. Bids were awarded to three shippers who will divide the capacity equally. Qatar has the ability to make an offer to one of the shippers for their capacity, but the long-term contract holder does not have to sell, regardless of the terms offered.

Southern Energy who owns the Elba Island Terminal, which is currently under construction is also completely contracted out to long term suppliers, but is theoretically open access.

Obviously, gas sold interstate from a receiving terminal is under FERC jurisdiction. Not all receiving terminals sell interstate nor are their any rules requiring current or future facilities to do so. For example, the receiving terminal in Puerto Rico is not open access and the USG cannot do anything about that. It is owned by Enron and Enron uses the imported LNG for power generation on the island. Enron can sell the gas to other buyers on the island, whenever it wants to, but selling the gas for use in places like the continental U.S., would require the involvement of FERC.

The future of the LNG market is up in the air regarding open access. There are many terminals in the planning stages in and around the Gulf of Mexico. These terminals could be private, intrastate, or interstate. The USG is not involved in that decision. Also, due to the cost of LNG facilities, these receiving terminals will likely be built with long-term contracts in place before they go into operation, limiting the available capacity for short-term suppliers like Qatar.

I hope this provides some clarity to the situation.

Erika Benson Office of International Affairs U.S. Department of Energy 202-586-6531

From:

Person, George

Sent:

Wednesday, September 05, 2001 11:48 AM

To:

Friedrichs, Mark

Cc:

Erickson, Gina; Benson, Erika; Deutsch, Kathleen

Subject:

RE: Three FE notices re. cross-border (U.S./Mexico) transmission line proposals -- FYI

Thanks.

-Original Message From:

Friedrichs, Mark

Sent:

Wednesday, September 05, 2001 11:43 AM

To:

DeVito, Vincent, Person, George; Conti, John

Subject:

Three FE notices re. cross-border (U.S./Mexico) transmission line proposals -- FYI

Mark D. Friedrichs (PO-20) Policy and International Affairs U.S. Department of Energy Washington, D.C. 20585 202-586-0124

Fax: 202-586-3047

--Original Message-

From:

Dean, Diana

Sent:

Wednesday, September 05, 2001 11:32 AM

To:

Baer, Mitchell; Barley, Clara; Al Beer; Alan Brownstein; ANDI KASARSKY; Andrea Condrad; Daniel Lillian; David Jhirad; David Pumphrey; Debra James; Denise Freeman; Diana Dean; Donetta Herbert; Ellen Russell; GARY PALMER; Geraldine Paige; Gwendolyn Cowan; Hoyt Johnson; JAMES ROSE; James Turi; Janet Barsy; JAY CASSELBERRY; Jean Vernet; John BRODMAN; Kevin Smith; Larine Moore; Lee Jessee; Marcia Carlson; Mark FRIEDRICHS; Marsha Lawn; Mary Haughey; Maureen Clapper; MELISSA KRUPA; Michael Whatley; Mike Bowers; Mike Uzzle; Neal Strauss; Patricia Coffin; Paul McArdle; RACHEL SAMUEL;

Richard Farman; Robbie Dooms; Rozelle Watts; SAMUEL BRADLEY; Sean Oehlbert; Stanley Lichtman

Subject:

Federal Register Contents for September 5, 2001

Here are the DOE documents published in today's Federal Register.

DOE

NOTICES

Floodplain and wetlands protection; environmental review determinations; availability, etc.:

Baja California Power, Inc., and Sempra Energy Resources, 46440-46441 (FE1.pdf)

Enron North America Corp., 46441 (FE2.pdf)

San Diego Gas & Electric Co., 46441-46442 (FE2.pdf)

Natural gas exportation and importation: H.Q. Energy Services (U.S.) Inc., 46442-46443 (HQ.pdf)

AB

Meetings: Environmental Management Advisory Board, 46442 (AB.pdf)

Díana L. Dean

Federal Register Liaison Office, 6-7440

<< File: FE1.pdf >> << File: FE2.pdf >> << File: HQ.pdf >> << File: AB.pdf >>

Federal Register Table of Contents for September 5, 2001

Relama

From:

Sperl, Thomas

Sent:

Friday, October 05, 2001 5:08 PM

To:

Benson, Erika

Subject:

private sector companies involved in Latin America per request.

ENRON, Halliburton, GE, Siemen's, Westinghouse, AES, Grupo Iberdrola (Spain), Duke Energy International/Duke Brazil, El Paso, Endesa of Spain, Electricidade de Portugal, Electropaulo Metropolitano (Sao Paulo power company), Mirant (Atlanta), PSEG Global in Argentina, Exxon-Mobil

see sept 27 email I sent you regarding some background.

let me know if you'd like me to attempt to contact anyone?

thnaks.

Relean

From:

Sperl, Thomas

Sent:

Thursday, September 27, 2001 10:19 AM

To: Cc: Benson, Erika Ward, Gary

Subject:

Regulators Conference, private sector

Erika:

did a search on ProQuest to get idea of latest/hot topics and companies.

ProQuest is limited so also asked Library to do Search but that could take 24-48 hours.

My off top of head list of potential companies are the usual: ENRON, Halliburton (VP-Cheny's former company), GE, Siemens, Westinghouse.

My search pulled up the following interesting tidbits that I believe could stir interest in the Conference. Will send others when Lexus search done.

Tom

Abstract:

The iTelligent Group Inc. is organizing this two-day affair for energy regulators, IPP managers, owners of power utilities, electric cooperatives, purchasing managers, and suppliers of critical product requirements of utilities.

Full Text:

Copyright Asia Intelligence Wire from FT Information Sep 29, 2000

The iTelligent Group Inc. is organizing this two-day affair for energy regulators, IPP managers, owners of power utilities, electric cooperatives, purchasing managers, and suppliers of critical product requirements of utilities. This seminar will deal with the benefits of adopting business-to-business (B2B) exchanges between the local power utilities and their suppliers, in line with current efforts to create a centralized online resource for procurement, technology transfer and human resource development in the power industry. The event will feature lectures by leading IT and power industry experts, and hands-on demonstrations. For particulars, call Leonel at telephone nos. 522-5552 or 525-5042, or e-mail marsalazar100@yahoo.com

2.

How to Project Power Around the World --- U.S. Energy Firm AES Plugs Into Scary

Turf; Colombia, Anyone?

Wall Street Journal, New York, N.Y.; Nov 13, 2000; By Pamela Druckerman;

Subject Terms:

Geographic Names:

Foreign investment Electric utilities

Business growth

Latin America

Companies:

AES CorpTicker:AESDuns:04-385-7812Sic:221122

Abstract:

Much of AES's growth is in political hot spots and far-flung locales where many of its competitors have feared to tread. That is especially so in Latin America, which has lately been racked by political tumult unlike any it has seen in years. When Venezuelan stocks were getting thrashed this summer

because of fears that populist president Hugo Chavez would destabilize the nation, AES cozied up to the former army paratrooper and bought control of the leading Venezuelan electric company. Though Argentina has been mired in a persistent economic slump and a political scandal that led its vice president to resign, AES scouts picked up electricity plants there from other U.S. companies that were running for cover. It is about to pounce on a generation company in Colombia, even though a third of the country is controlled by leftist guerrillas.

AES's geographic scope and rapid-fire expansion set it apart. In the past two years the company has more than doubled its power-generation capacity in Latin America, making it the region's No. 2 player, after Endesa. AES says it is now the leading power provider in Venezuela and Brazil, and if its recent \$1.06 billion tender offer for Chile's Gener SA is accepted, it will take the top spot in Argentina, too. The company's South American operations alone dwarf its U.S. business in power production. It also has holdings in Tanzania, the Republic of Georgia and Kazakstan, among other places. More of AES's employees speak Hindi or Russian as their native language than English.

Mr. [Esteban Walsh] now relies orf this experience when doing business for AES there. He frequently takes helicopters to avoid getting stopped by rebel roadblocks. And he ruled out several projects that were uncomfortably close to guerrilla-controlled territory. After an acquisition in Venezuela, AES was forced by regulators to sell two Colombian electricity-distribution companies it owns, but it is high on business possibilities in war-torn Colombia. AES is in advanced talks to acquire several Colombian power generation firms, he says. "It's not that I'm not scared," Mr. Walsh says. "A healthy bit of fear is good."

Julevanie

3. Wall Street Journal; Brussels; May 8, 2001;

Abstract:

Energy-to-telecommunications conglomerate Grupo Iberdrola unveiled a strategic plan under which it could sell stakes in various companies in order to raise 1.7 billion euros as part of a plan to invest 8.65 billion euros until 2005. In a strategic plan lodged Monday with Spain's market regulator, Iberdrola said it is aiming to become a global services operator, with net profit growth of around 12% to 15% annually until 2002. Iberdrola initially presented its plan to Morgan Stanley Dean Witter & Co. late last month. It said the stakes that relate to its plans are 3.5% in Spanish-Argentine oil firm Repsol SA, and 4% in Electricidade de Portugal SA. Iberdrola said these stakes could "eventually be divested when strategic and market

conditions" are appropriate. The 8.65 billion euros that Iberdrola aims to invest would be spent in Spain and Latin America. Of the total, 5.4 billion euros would be spent in Spain, 2 billion euros in the North American Free Trade Agreement region, and 1.25 billion euros in South America.

4. Brazil is probably the best place to be for an energy company looking to grow," says Michael Dulaney, president of Duke Brazil, a subsidiary of Duke Energy, the US power company.

Sixteen consortia have received their respective authorisations from Aneel, the regulator, to bring a total of 3,362MW on line by next year. These include Duke, El Paso, AES, and Texaco of the US, Endesa of Spain, Electricidade de Portugal, Japan's Marubeni, and ABB, the Swiss technology company.

Delays could mean supply shortages next year. With economic activity heating up, power demand could grow by as much as 6 per cent in 2001, analysts say. At the same time, water levels in the reservoirs feeding the country's hydroelectric plants have been falling steadily. "We are concerned whether our [power] suppliers will be able to comply with their contracts," says Marc Andre Pereira, chief executive of Eletropaulo Metropolitano, the Sao Paulo power company.

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Managers & Managing: Global Strategy Powers Endesa's Merger Moves Wall Street Journal; Brussels; Jul 20, 1999; By Carlta Vitzthum;

Abstract:

And last month, after two boardroom brawls, a dispute with Argentine regulators and a bidding war

with Duke Energy Corp. of the U.S., it won control of Empresa Nacional de Electricidad SA, the big Chilean generator. Endesa's offer was launched through Enersis SA, the Chilean utility it won control of in March through another hard-fought bid. The two acquisitions brought the total amount invested by Endesa in Latin America to almost \$7 billion (6.86 billion euros).

Together, the investments in Latin America and the merger of its regional units with the parent company have increased Endesa's size by almost 40%, measured both in terms of assets and operating profit. But Chief Executive Rafael Miranda says he is largely undaunted by the management challenges of running such a sprawling group. The key, he says, "is having a global strategy for each line of business."What could prove an unexpected management hurdle for Mr. Miranda, however, is the growing regulatory uncertainty now buffeting Spain's electrical utilities, particularly as the government seeks to fight inflation through lower electricity rates.

For now, though, Mr. Miranda's strategy for the remainder of the year is to embark on a sweeping cost-cutting program in Latin America and to reorganize in Spain. So far, the company has grouped its Spanish activities into four divisions according to lines of business; international, commercial, generation/distribution and sundry businesses such as telecommunications and water management. Before year end, generation and distribution also will be split into separate divisions, as required by Spanish law. Reorganizing the group in Spain by businesses, rather than by regional units, is enabling Endesa to reduce the number of companies its operates by two-thirds, to 100. It will also help Endesa meet its goal of cutting its work force by almost 5,000, to 13,500, and reduce operating costs 40% by 2003, Mr. Miranda says.

Taken from these articles:

1.

Bizbytes; Wall Street Journal, Brussels; May 8, 2001; Europe; pg. 24

2.

Brazil struggles to avoid power cuts; [London edition]; Colitt, Raymond; Financial Times, London; Mar 26, 2001; pg. 10

3.

How to Project Power Around the World — U.S. Energy Firm AES Plugs Into Scary Turf; Colombia, Anyone?; By Pamela Druckerman; Wall Street Journal, New York, N.Y.; Nov 13, 2000; Eastern edition; pg. A.23

4.

Sparks start to fly in Brazil's power plan: Exchange fears and delays have soured an opportunity, writes Raymond Colitt:; [London edition]; Colitt, Raymond; Financial Times, London; Sep 14, 2000; pg. 33

5.

Managers & Managing: Global Strategy Powers Endesa's Merger Moves; By Carlta Vitzthum; Wall Street Journal, Brussels; Jul 20, 1999; Europe; pg. 4

From:

Dixon, Joanne [JDixon@iie.org]

Sent:

Tuesday, November 27, 2001 4:37 PM

To: Cc:

Ward, Gary Benson, Erika

Subject:

RE: 2nd Hemispheric Energy Regulators Conference

Thanks Gary.

I've attached the CEO list again following Ahmad's review. The highlighted lines are those key companies whose representation at the conference is important. In many cases, we have additional contacts at these organizations that we will invite as a contact of Ahmad. Companies that he lists as key (most of which are included on the CEO list) are:

Florida Power & Light (FP&L) Pennsylvania Power & Light (PP&L)

Hudson Power & Light

GE

Westinghouse

ABB

Honeywell

Enron

Dyengy

Continental Engineering

Black & Veatch

Combustion Engineering (CE)

I'll be back in touch tomorrow with comments to the agenda. Let me know as soon as I can send these private announcements out. Also, is the Ministers' letter approved yet?

Regards, Joanne

----Original Message----

From: Ward, Gary [mailto:Gary.Ward@hq.doe.gov]

Sent: Tuesday, November 27, 2001 3:32 PM

To: 'jdixon@iie.org'

Subject: FW: 2nd Hemispheric Energy Regulators Conference

Please add these names to the list! Thanks

----Original Message----

From: Erickson, Gina

Sent: Tuesday, November 27, 2001 3:29 PM

To: Benson, Erika; Ward, Gary

Subject: FW: 2nd Hemispheric Energy Regulators Conference

)id Joanne Dixon get these names?

'hanks.

ina

----Original Message-----

'rom: Kaplan, Everett

o: Erickson, Gina; 'farquharRN2(a)state.gov'; 'kaplane(a)state.gov';

carrollt(a)state.gov'

c: Ward, Gary; Sanders, Richard M

ent: 10/24/01 8:01 PM

ubject: RE: 2nd Hemispheric Energy Regulators Conference

[PLEASE DISREGARD PREVIOUS MESSAGE.]

Gary:

A list of Colombian officials who are responsible for energy regulation follows, broken down by possible and improbable attendees (all addresses Bogota):

POSSIBLE ATTENDEES

Members of the Commission of Experts for Energy and Gas Regulation (CREG) David Reinstein Benitez Jaime Alberto Blandon Diaz Ricardo Ramirez Carrero

Sandra Stella Fonseca Arenas Ana Maria Briceno Morales

Calle 73, No. 7-06, Floor 5 Address:

011-571-347-0611 Tel: 011-571-310-5937/70 Fax:

Superintendency of Domicile Public Services

Jaime Osorio Gomez

Deputy Superintendent for Energy and Gas

Address: Carrera 18, No. 84-35

Tel: 011-571-691-3014

Fax: 011-571-691-3121

Ministry of Energy and Mines

Cesar Pineros Ramirez

Director of Energy

Address: Avenida El Dorado CAN

011-571-222-4947 Tel:

011-571-222-2156 Fax: .

IMPROBABLE ATTENDEES

Ministry of Energy and Mines Dr. Ramiro Valencia Cossio Minister of Energy and Mines

Avenida El Dorado CAN Address: 011-571-222-3314/222-3718 Tel:

Fax: 011-571-222-3651

Dra. Evamaria Uribe Tobon Vice Minister of Energy

Address: Avenida El Dorado CAN

011-571-222-3847/222-3642 Tel: Fax: 011-571-222-3582

David Suarez Tamayo

Advisor to the Minister Address: Avenida El Dorado CAN

Tel: 011-571-222-2081 Fax: 011-571-222-3651

Superintendency of Domicile Public Services

Diego Humberto Caicedo Ortiz

Superintendent for Domicile Public Services

Carrera 18, No. 84-35 Address: Tel: 011-571-691-3047

Fax: 011-571-691-2221

```
----Original Message----
      From: Erickson, Gina [SMTP:Gina.Erickson@hq.doe.gov]
      Sent: Friday, October 12, 2001 12:58 PM
            'farquharRN2@state.gov'; 'kaplane@state.gov';
'carrollt@state.gov'
            Ward, Gary
      Cc:
                  FW: 2nd Hemispheric Energy Regulators Conference
      Subject:
      > Dear Colleague:
      > Per our conversation with many of you yesterday, the
Department of
Energy
      > will host a Western Hemisphere Energy Regulators Conference
between
      > December 6-7, 2001, in Miami, Florida. Your immediate
assistance
in
      > identifying energy regulators, in your country, to participate
in
the
      > conference would be greatly appreciated. Also, the
identification
of any
      > other interested parties would be helpful.
                                                    Attached, is an
overview of
      > the proposed conference. This should give you a better idea
of
the goals
      > and objectives of the meeting. If you have any questions
please
do
      > hesitate to contact me. Again, thank you in advance for your
prompt
       assistance.
      >
       Gary
         <<Letter to Emb. Reg. Latest.doc>>
```

<< File: Letter to Emb. Reg. Latest.doc >>

Rilean

From: Sent: Rettenmaier, Albert C. (Al) [RettenmaierAC@bv.com]

Sent:

Tuesday, July 31, 2001 10:49 AM

To: Subject: Benson, Erika LNG Followup

Erika:

How are things? Things are OK here, but it appears we are going to lose out on the Angola LNG project to the Kellogg Brown & Root and Bechtel teams, who will do competing FEED packages and lump sum turnkey pricing, to be completed about this time next year. We are still wondering when and if Enron is going to proceed with the Venezuela LNG project. Also, we have gotten some inquiries from China recently. Hope things are good and that I'll see you sometime.

Keep me in mind if you hear of any new projects.

Albert C. Rettenmaier Vice President - Sales Phone: 913-458-6086 Fax: 913- 458-6098 Mobile: 913-706-8561

From:

Billig, Michelle

Sent:

Monday, December 03, 2001 2:51 PM

To:

Anderson, Margot Benson, Erika

Cc: Subject:

RE: S-1 meeting with Bolivian Pres Quiroga Tues 1230PM

Margot,

In case we don't have a chance to talk. Here are some additional points outside the memorifat may be useful in the meeting:



- Enron owns 25% of Bolivia's national pipeline system (Transredes) and has been one of the largest US investors in Bolivia. Enron's assets in Bolivia were not included in Monday's bankruptcy filing. According to the embassy. Enron's situation has not affected the pipeline co's operations. Enron's attempt to sell its stake to Petrobras was blocked by Shell, which also owns 25%
- President Quiroga will witness an MOU signing Tuesday at 5 pm between Sempra and a consortium of Repsol,
 British Gas, and Transamerican Energy (bp/fridas alliance). The MOU pushes forward Bolivia's plan to export
 LNG to Mexico and US by authorizing exclusive negotiations between Sempra and the producers for the purchase
 of 800 million cubic feet/day.
- Bolivia needs to expand capacity of the Bolivia-Brazil pipeline and may request additional funds from Ex-Im (which financed part of the original project)
- GOB and Quiroga had explored possibility of MOU on bilateral energy issues with previous administration.

----Original Message----From: Sacks, Steve

Sent: Monday, December 03, 2001 8:45 AM

To: Anderson, Margot

Cc: Coburn, Leonard; Billig, Michelle

Subject:

S-1 meeting with Bolivian Pres Quiroga Tues 1230PM

Margot: Dave called to suggest based on conversation with VAB that you attend, if possible, the S-1 meeting with Bolivian Pres Quiroga scheduled Tuesday 1230PM, S-1 office. I will drop off the briefing memo. Michelle Billig can brief you aat your convenience on the particulars.

From:

Pumphrey, David

Sent:

Friday, June 01, 2001 12:53 PM

To: Cc: Benson, Erika; Angulo, Veronica; Person, George

Sacks, Steve; Ward, Gary; Erickson, Gina

Subject:

RE: Bolivian Vice President

Thanks Erica. Nice report

---Original Message-

Benson, Erika

From:

Sent:

Friday, June 01, 2001 10:49 AM

To:

Pumphrey, David; Angulo, Veronica; Person, George

Cc

Sacks, Steve; Ward, Gary; Erickson, Gina

Subject:

RE: Bolivian Vice President

Even though the meeting between the Secretary and Vice President Quiroga of Bolivia has been cancelled, I would still like to inform the group of the recent developments in the Bolivian energy sector and the topics discussed yesterday between the Vice President and Undersecretary of State-Larsen.

If you have any questions or would like further detail, please let me know.

Thank you,

Erika Benson

- The Vice President briefed Undersecretary Larsen on the current and future development of Bolivian natural gas fields. This discussion tied into a previous one between President Banzer and U.S. Officials in Quebec. In meetings with U.S. Officials in April in Quebec and Washington, President Banzer of Bolivia expressed an interest in selling Bolivian gas to California. Meanwhile, several options are being considered by energy producers for shipping Bolivian natural gas to the U.S. market. BG International, and partners, BP Amoco and Repsol, are studying a proposal to build a Liquefied Natural Gas (LNG) Plant in Chile to export Bolivian natural gas to Mexico and California. The (former) Enron-Shell-owned energy transportation company, Transredes, has considered two options for shipping gas from the Bolivian fields to the Chilean coast. However, technical and fiscal difficulties are obstacles to overcome.
- The Vice President discussed the on-going border dispute with Chile. Bolivia believes that a cross-Andean pipeline from Bolivia to the coast of Chile could be the symbolic "olive-branch" needed to normalize relations. The VP broached this topic with Undersecretary Larsen and asked for support from the U.S. in this process.
- In light of the possible Bolivian natural gas exports to Mexico for U.S. and Mexican consumption, the Bolivian government would like to amend the bilateral trade treaty currently in place with Mexico in order to include language on hydrocarbons. This topic was discussed with Undersecretary Larsen as well.
- The Vice President met with World Bank and IMF representatives in Washington this week to discuss the Government of Bolivia's completion of the Enhanced HIPC loans. Bolivia will be the first Latin American country to fulfill it's loan requirements.
- Bolivia has increased it's gas exports to Brazil, given the grave nature of the Brazilian energy sector, via



the Bolivia-Brazil pipeline.

- While in Washington VP Ouiroga met with Undersecretary Larsen, World Bank, IMF and was planning to meet Commerce representatives. He did not have the opportunity to meet with VP Cheney or other OVP representatives.
- A topic of interest to DOE: Enron recently put up for sale it's interest in the former-state owned energy transportation company Transredes. Potential buyers are Shell and Petrobras.
- Note: VP Ourroga will be meeting with the Board of Directors of BP, Exxon-Mobil, TotalFinaElf, Repsol and others who have a stake in Bolivian natural gas on June 11th and 12th. He would like to see Bolivia work jointly with all the companies in the exploration, development and transmission of the gas.

-Original Message

Pumphrey, David

Thursday, May 31, 2001 6:12 PM Sent: To: Person, George: Benson, Erika Sacks, Steve; Ward, Gary

Dodged that one. Erica is still going to provide a summary of the interests that Quiroga expressed to State.

----Original Message----

Subject: RE: Bolivian Vice President

From:

Person, George

Sent:

Thursday, May 31, 2001 4:44 PM

To: Benson, Erika; Pumphrey, David

Cc: Sacks, Steve; Ward, Gary

Subject:

RE: Bolivian Vice President

Gina,

Good information. Pls continue working on the paper pending confirmation of the cancellation. Thx.

George

-Original Message

From:

Benson, Erika

Sent:

Thursday, May 31, 2001 4:41 PM

To: Cc. Person, George; Pumphrey, David Sacks, Steve; Ward, Gary

Subject:

RE: Bolivian Vice President

I just got off the phone with Bolivian Desk Officer, Tom Rogan who informed me that the Vice President will be leaving Washington early. He will return to La Paz on Sunday due to "unforeseen reasons."

Todd from the Scheduling Office talked to Tom Rogan and is waiting for a return call from the Bolivian Embassy to confirm the cancellation of the Secretary's meeting with the Vice President of Bolivia.

Thank you,

Erika Benson

-Original Message

From:

Person, George

Sent:

Thursday, May 31, 2001 12:31 PM

To:

Pumphrey, David

Cc:

Sacks, Steve; Benson, Erika; Ward, Gary

Subject:

RE: Bolivian Vice President

Erika (X66531) is the IA-32 lead. The draft memo will be up later today.

Original Message

From:

Pumphrey, David

Sent:

Thursday, May 31, 2001 9:47 AM

To:

Person, George

Cc:

Sacks, Steve

Subject:

FW: Bolivian Vice President

Let's get started on a paper. Will need to be in the book tomorrow. Need a draft by COB today.

--Original Message-

From:

Harding, Todd

Sent:

Thursday, May 31, 2001 9:46 AM

To:

Hudome, Randa; Pumphrey, David; Gilliard, Emma; Swartz, Bob

Cc:

Swift, Judd

Subject:

Bolivian Vice President

The Secretary has accepted a meeting with the Bolivian Vice President for Monday June 4th. Details of this meeting are still be worked out. You will receive a message once the time is confirmed.

Additionally, International Affairs will be responsible for clearing these folks into the building and getting all of their information. I have been talking with Ambassador Fernandez, but will forward a number to her office for someone to collect the information.

Thanks,

Todd K. Harding Office of Scheduling & Advance U.S. Department of Energy (202) 586-5534 (202) 586-7573 fax

Releaned

From:

Person, George

Sent:

Monday, June 11, 2001 11:43 AM

To: Subject: Benson, Erika

FW:

Importance:

High

fyi

--Original Message

From:

Person, George

Sent:

Monday, June 11, 2001 10:24 AM

To: Cc:

Ward, Gary; Soliman, Moustafa; Erickson, Gina

Subject:

Pumphrey, David; Angulo, Veronica

Importance:

High

Gary,

Good paper.

Under chronology, should clarify the May 30th entry (based on polls taken/released that date?).

Would be useful to have a section on "Possible DOE Steps" and more info on U.S. industry concerns/interest (for example, Enron called regarding DOE position) and U.S. Embassy perspective on possible ways that DOE could intervene.

Let's seek to finalize on Wednesday.

Thanks.

George



—Original Message-

From:

Ward, Gary

Sent:

Thursday, June 07, 2001 1:32 PM

To:

Person, George; Soliman, Moustafa; Erickson, Gina

Cc:

Pumphrey, David; Angulo, Veronica

Subject:

Per Dave's request attached is draft paper on the Brazilian energy crisis. Please review and provide comments so I, can finalize. Thanks

<< File: Brazil.Energy.Crisis.doc >>

THE BRAZILIAN ENERGY CRISIS

CHRONOLOGY OF EVENTS

March 26, 2001	Low levels of water in Reservoirs
March 30, 2001	Low Rainfall Increases Chances of Electricity Rationing
April 9, 2001	Electricity Contingency Plan Launched
April 26, 2001	Power Rationing Being Proposed for June
May 8, 2001	AES Puts on Hold Plans to Invest \$2.5 Billion on Energy Projects in Brazil
May 10, 2001	Announcement that Electricity Rationing will Begin in Junes.
May 16, 2001	Sao Paulo Energy Company (CESP) Sale Suspended Due to Proposed Power
	Rationing
May 18, 2001	Government to be Sued over Blackouts
May 21, 2001	Government Announces Details of Energy Rationing Plan
May 30, 2001	President's Popularity Falls Due to Energy Crisis
June 1, 2001	Six Month Energy Rationing Program Implemented
June 4, 2001	Extended Energy Rationing Begins in Both North and South of Country
June 6, 2001	Government Loosens Electricity Penalties

<u>Power Shortages:</u> This year, severe drought in south central Brazil left reservoirs at low levels and revealed the vulnerability of an electricity sector that relies heavily on hydroelectric power. The energy crisis in Brazil comes after the worse droughts in decades and years of under-investment combined to dry up capacity in the hydroelectric plants. A series of dry summers left Brazilian reservoirs at record low levels, meaning the country's power network, driven nearly exclusively by hydroelectric stations (over 90%), cannot keep pace with growing demand from the expanding economy.

South-eastern Brazil -- the country's industrial powerhouse that includes Minas Gerais, Rio de Janeiro and Sao Paulo -- is desperately short of water, and hydroelectric power stations provided the region with 92 % of its electricity last year. Reservoirs that ideally should be half full are at 34 % capacity -- 11 % lower than last year. Rainfall in the first part of the year was at less than three-quarters of its regular level. Industry is already bracing for what Brazilians call "blecautes," or power cuts.

Government Imposes Rationing Plan: On June 1, in a bid to prevent electricity shortages the government of Brazil implemented a six-month energy-rationing program aimed at reducing energy consumption by 20% in the south-east, north-east, and center-west regions of Brazil. The rationing plan took effect for industry and commercial establishments on the 1st of June and households followed on June 4th. Subsequently, on June 5th the government extended the emergency energy rationing to the north and south of the country. The north and the south of Brazil had avoided being included in the initial rationing plan after they were spared the worst of the droughts. However, the government changed that plan in the hope that nationwide rationing will cut consumption by as much as 35 percent over the next six months.

The initial plan to charge or even cut off electricity of consumers who exceed their allotted quotas had incensed Brazilians and sparked a raft of legal claims against the government on the grounds the measures violated their constitutional rights. Consequently, President Cardosa announced several changes to the plan that will reduce penalties for consumers that do not meet targets for reducing electricity consumption. The original version of the plan advocated stiff penalties for exceeding quotas. For instance, if households did not reduce consumption by 20%, they could have their electricity cut

off for three days, or six days for a second infringement. Residential consumers could have faced surcharges of up to 200% if the used more than 200-kilowatt hours a month, irrespective of how much energy they saved. Power will only be cut for households who fail to meet their targets two months in a row.

Implications for Investors: The need to address Brazil's growing electricity demand and energy crisis has opened the door for new investment opportunities. In a state of enormous concern, the government of President Fernando Henrique Cardoso is urgently seeking to build 55 thermoelectric power stations by 2003, boosting the energy grid by over 21,000 megawatts, about a third of the country's current generating capacity. Brazil is also seeking to increase the proportion of natural gas in the national energy balance to 12% by 2012, from the current level of less than 3%. Brazil expects that most of these projects will be financed by the private sector. Additionally, the National Energy Agency (Aneel) plans to auction licenses this month to build eight new hydroelectric plants worth \$1.6 billion, but their construction will take seven years.

On the other hand, some investors are also souring. AES Corp., the single largest investor in Brazil's energy sector, announced this week that the company was suspending investments of \$2.5 billion in Brazil until Aneel modified its "disastrous" policies. An incomplete privatization program has left power distributors in private hands, but generators are still under state control.

×

Enron has decided to suspend plans to invest \$600 million because of uncertainties in the country's wholesale electricity market. The investments will be put on hold until the government sets the rules of the wholesale market. Than Plans involved construction of two thermoelectric power plants in Rio de Janeiro and Mato Grosso.

The U.S. embassy in Brazil estimates that "any new investment in Brazil is at risk now in view of the new electrical load limitations and the uncertainty in the energy spot market. The government of Brazil may proceed with an intervention in the market to hold prices down to a ceiling, instead of letting them reflect the current power deficit. Should this intervention pass, it will send a negative sign to investors in merchant power plants (These plants usually do not have long-term purchase power agreements. They sell electricity to the spot market.). The intervention would also signal to the market that Brazil continues to have unpredictable investment rules. This theme permeates other sectors, which have been privatized as well, adding to the Brazil risk".

Political Ramifications: President Cardoso's opposition has criticized the government for not acting faster and has called for an inquiry into the government's handling of the crisis. The President's approval rating has fallen to 22.1%, while his disapproval rating increased from to 37.1% in May. This is the largest decline in presidential popularity since the January 1999 devaluation crisis. The public blames the energy crisis on "government incompetence". If rationing extends beyond November or rolling blackouts take place, the President's support will undoubtedly plummet. Elections are scheduled for 2002, and even though Cardoso can't run again, members of the government coalition will not want to support his party's (Social Democratic Party - PSDB) choice for presidential candidate.



From:

Person, George

Sent:

Friday, January 11, 2002 5:30 PM

To:

Benson, Erika; Billig, Michelle; Ward, Gary

Subject:

RE: status of briefing

Good. THx.

----Original Message----

From: Benson, Erika

Sent: Friday, January 11, 2002 5:13 PM

To: Person, George; Billig, Michelle; Ward, Gary

Subject: RE: status of briefing

I've added a few names for the WH private sector contacts in the database and I'm working on the USG contacts too. I'll be adding some more to the list on Monday.

----Original Message----

From: Person, George

Sent: Friday, January 11, 2002 11:18 AM

To: Billig, Michelle; Benson, Erika; Ward, Gary

Subject: RE: status of briefing

From the database, which we should update to list Govt reps for the various countries and regions.

----Original Message----

From: Billig, Michelle

Sent: Friday, January 11, 2002 9:18 AM

To: Benson, Erika; Person, George; Ward, Gary

Subject: FW: status of briefing

I have contacts at Sempra and Unocal...off the cuff can you guys identify any name POCs at:

Enron

El Paso - Robert Perez (011-541-796-6045 in country rep)

AES - Greg Adams

Megan Reilly - 703-522-1315

Duke Energy CEO (?) Richard Priory - 713-627-5440

Mirant (recent international spinoff of Southern Co.) -

Reliant (formerly Houston Industries) -

Entergy -

Kansas Power & Light

Thanks.

----Original Message----

From: Goldberg, Robert X [mailto:GoldbergRX@state.gov]

Sent: Friday, January 11, 2002 7:40 AM

To: 'Billig, Michelle'

Subject: RE: status of briefing

we're shooting for thursday afternoon, probably at commerce and likely chaired by janice bay. would certainly like to have someone from doe there, given the impact of new argentine policies on energy companies. we have a pretty good list of energy companies that could be affected and will be inviting them. see below. if you have any additional suggestions, let us know.

Oil/Gas

ExxonMobil - Nora Scheller, 202-862-0275, fax 202-862-0267

Chevron - Bill Irwin, 202-408-5854, fax 202-408-5842

Amoco (now owned by BP, which is not a US company) Rich Herold, 202-457-6578, fax 457-6597

CMS Energy - George Pickart, 202-293-5794, fax 202-223-6178

Enron 202-828-3360

Sempra Energy - 202-662-1700

El Paso - 202-662-4300

Unocal - 202-639-0330

Electricity

PSEG - Kristen Ludecke, 202-408-0800, fax 202-408-0214

AES - 703-522-1315

Duke Energy - 202-331-8090

Mirant (recent international spinoff of Southern Co.) - 202-585-3700

Reliant (formerly Houston Industries) - 202-467-5040

Entergy - 202-296-5508 or 202-530-7300

Kansas Power & Light - 202-824-0411 (phone listing for Kansas Electric Company; not sure if it's the same one, voice mail didn't help)

----Original Message----

From: Billig, Michelle [mailto:Michelle.Billig@hq.doe.gov]

Sent: Thursday, January 10, 2002 6:43 PM

To: 'goldbergrx@state.gov' Subject: status of briefing

Bob,

It was good seeing you yesterday at the argentina meeting. I didn't realize that you had shifted portfolios. Please let me know if DOE can assist you in organizing next week's briefing or in any additional outreach. We would greatly appreciate if you could keep us up to speed on the status of planning. Thank you.

Best,
Michelle Billig

From:

Price, Robert S

Sent:

Wednesday, February 02, 2000 6:02 PM

To:

Barry GALÉ; Denise CLARKE; ERICH PIEPER; George PERSON; Kathleen REES; Keena HILLARY: Moustafa SOLIMAN: Patricia BREED: Peter JODOIN; Sharon DOWNS: Steve

SACKS: Wanda KLIMKIEWICZ

Subject:

FW: Daily Report: 01.02.00 From IA-42

---Original Message--

From: Sent: Brodman, John

Sent:

Wednesday, February 02, 2000 5:57 PM

To:

DL-IA-4.2; Alicia Porter; Calvin Humphrey; Darren Peters; DAVID GOLDWYN; David Jhirad; David Pumphrey; Donna Bobbish; Emma Gilliard; Kate English; Leonard Coburn; Linda WHITTED; Matthew Willis; Robert PRICE; Steve SACKS; Teresa Beeman;

Theresa Fariello

Subject:

Daily Report: 01.02.00 From IA-42

IEA/SLT/GB/Annex 1 WG: preparations are underway for the upcoming meetings of the IEA's Annex 1 Working Group; Standing Group on Long-term Cooperation; and Governing Board which will take place in Paris this month. Will provide information about agendas and issues in the course of the next days. Jeff Skeer/ Brenda Mcintyre

APEC:George Zeigler talked with Mark Boorthwick, Executive Director of PECC (Pacifici Economic Cooperation Council)—SteveBurns is in transition to Enron—about what they can do to help Ministerial process (the items you mentioned in your meeting with industry last Firday) nominations for speakers/panelists/vips; parallel event on May 12 to keep business there for engagement with ministers in afternoon; suggestions for sub-themes for focus sessions. On industry sponsorship, I told him he needs to talk directly with San Diego. He was told joint press conference announcement is planned for next week. Mark has pledged his full cooperation and support.

Export Council for Energy Efficiency contacted George Zeigler. They have a mailing list that they don't like to release, but prefer that we give them the info to send out to their members in one of their regular communications. This will probably be a good way to go with most associations

Phone call with Australia: Called the Australian EWG Secretariat to discuss Steering Committee meeting and related issues. Right now it looks like we may get 8-10 members represented at the Feb. 17th meeting. We will begin telephoning EWG representatives in each member to encourage participation. Seems that the POC's in many countries may have changed recently, and some countries (China) rarely reply to the EWG Secretariat on any issue. Informed them we were looking for suggestions for speakers, and it was suggested that we send a note around to the EWG members inviting them to provide us with suggestions as one way of getting countries more involved and feeling as if they are a part of the process. Comment on this?

Continued to work on Lists of Ministers, POCs, and possible speakers. Cable coming along. Have first draft of the Checklist (timeline) out for comment. Will send to you tomorrow am.

Received proposal from SoBran, distributed for comment. Shall I call them with the first shot, or do you want to wait until Tern returns?

Norway: Terri called to say S1 was interested in the issue of whether or not we had a S&Tagreement with Norway (no), that he is interested in the Japan/Norway/US project on ocean sequestration of GHGs, and that he would like the Department to develop some additional proposals for S&T cooperation with Norway he could present to Minister Arnstadt when she visits in March. Passed this on to Price/Klimciewicz.

Japan: Jeff Skeer is helping to organize the visit of Mr. Kurita of the Japan Nuclear Cycle Development Institute (JNC) to Sandia National laboratory and other locations, as a follow-up to the visit last month of a twelve-person Japanese delegation on nuclear emergency preparedness, which is responsible for guiding a \$1.2 billion budget for improving Japan's emergency response system.

China: Wondering if you have any comments on the draft letter. Denise will be out Friday.

Staffing Plan: Calvin asked me to come up with a plan for covering the beaucoup events we will be responsible for in the

coming months. Have this pretty much worked, will provide you with this tomorrow.

The Move: I'm here, online again, phone works too.

From:

Price, Robert S

Sent:

Monday, February 07, 2000 10:49 AM

To:

Barry GALE; Denise CLARKE; ERICH PIEPER; George PERSON; Kathleen REES; Keena

HILLARY: Moustafa SOLIMAN: Patricia BREED: Peter JODOIN: Sharon DOWNS: Steve

SACKS: Wanda KLIMKIEWICZ

Subject:

FW: DAR - IA-32 - 2/4/00

-Original Message

From:

Pumphrey, David

Sent: To:

Friday, February 04, 2000 6:32 PM

Alicia Porter, Calvin Humphrey, Darren Peters, DAVID GOLDWYN, David Jhirad, Donna Bobbīsh, Emma Gilliard, John

BRODMAN; Kate English; Leonard Cobum; Linda WHITTED; Matthew Willis; Robert PRICE; Steve SACKS; Teresa Beeman; Theresa Fariello; Andrea Lockwood; Carolyn Haylock; Debra Smith; Gary Ward; Henry Santiago; Kathleen Deutsch: Michelle Billio:

Russell Profozich; Thomas Sperl

Subject:

DAR - IA-32 - 2/4/00

South Africa - Cable came in today from the U.S. Embassy in South Africa reporting that the South Africans are proposing to hold the next U.S.-Africa Energy Markets on December 4-6, probably in Durban. The South Africans also inquired about the "extent of financial support" the U.S. could provide.

Nigeria - Provided revised terms for an Energy Committee under the Joint Commission on Nigeria to the NSC. No reaction yet.

Nigeria (ENRON) - Asked State to let the Embassy know that we will let the Ambassador deliver the first demarche on the ENRON barge project. Passed this word to ENRON and Commerce as well.

Latin America Finance Initiative -- Met with Rogelio Novey to discuss implementation steps for the Fund for Energy Sector Initiatives. Novey is to meet with the U.S. Director for the IDB on Tuesday. Provided draft concept paper to IDB this afternoon.



From:

Price, Robert S

Sent:

Thursday, February 10, 2000 9:16 AM

To:

BREED, Patricia; CLARKE, Denise, DOWNS, Sharon, GALE, Barry, HILLARY, Keena; JODOIN, Peter; KLIMKIEWICZ, Wanda; PERSON, George; PIEPER, ERICH; REES,

Kathleen; SACKS, Steve; SOLIMAN, Moustafa

Subject:

FW: DAR 2/9/00 IA-32

-Original Message

From:

Pumphrey, David

Sent:

Wednesday, February 09, 2000 6:35 PM

To:

Alicia Porter; Calvin Humphrey; Darren Peters; DAVID GOLDWYN; David Jhirad; Donna Bobbish; Emma Gilliard; John BRODMAN, Kate English; Leonard Coburn; Linda WHITTED; Matthew Willis; Robert PRICE; Steve SACKS; Teresa Beeman;

Theresa Fariello; Andrea Lockwood; Carolyn Haylock; Debra Smith; Gary Ward; Henry Santiago, Kathleen Deutsch; Michelle Billig;

Russell Profozich: Thomas Spert

Subject:

DAR 2/9/00 IA-32

Nigeria: The Nigeria desk at State reports that Assistant Secretary Rice brought up the Enron contract issue at a meeting with the Nigerian Ambassador last week. The Ambassador indicated that he would check into it. The Nigerians mentioned that the World Bank had advised them that the terms of the Enron deal were not the best that they could have gotten and recommended that in future Nigeria should use competitive bidding for such contracts. The Nigerians are using this recommendation as a basis to go back to Enron to renegotiate the deal. The U.S. Ambassador is supposed to raise this issue today during a meeting with the Nigerian Government and Jessie Jackson. The issue is included in the Ambassador's talking points.

OPIC - IA Staff spoke with Mitchell Strauss of OPIC, to discuss the next steps in setting up the African Sustainable Energy Program. Main issues discussed were the interagency agreement, and the transfer of funds. Strauss indicated that she would be sending text of an agreement to Sam Bradley for initial review. In addition, she mentioned that OPIC staff did not want DOE money sent over but wanted to keep our contribution "on call" over here.

WTO - Russ Profozich attended a multi-agency meeting today at the USTR to discuss plans for the coming year regarding WTO negotiations on trade in services and agriculture. The meeting was chaired by Peter Collins, USTR. Major points made at the meeting were: (1)USTR wants to formalize the inter-agency process to address WTO issues and will develop draft papers for agencies to comment on in developing positions on specific issues; (2) the WTO has initiated the process to begin negotiations on trade in agriculture and services. A special session of the GATS Council will meet on February 25 in Geneva to discuss procedural matters, organization of future negotiations and scheduling of future meetings; (3) on February 24, the Committee on Specific Commitments and Working Party on Domestic Regulation will meet in Geneva; (4) the Committee on Specific Commitments is the major vehicle for the U.S. to address trade in services, it is chaired by Peter Collins; (5) the Working Party on Domestic Regulation also will address several issues (e.g., transparency, necessity and equivalency) related to trade in services, also chaired by Peter; (6) GATS rules on subsidies, government procurement and safeguards also will be addressed in the GATS negotiations, these have major impact on trade in services; (7) Carol Balassa, who heads up the USTR effort on energy services mentioned that the Energy Services Coalition is developing a definition of energy services and a draft objectives paper that will be available soon. She stated that the inter-agency group on energy services would likely travel to Geneva in late March or April for discussions on these issues; (8) other issues that will be part of the GATS negotiations that have an impact on energy services include: wholesale and retail distribution, testing, labeling and trademarks; professional services; education and training; environmental services; and financial services. Peter will inform agencies of the next meeting. Most future meetings will involve smaller groups to address specific issues.

Venezuelan/American Chamber of Commerce--- Messrs. Ulrico Reale and Antonio Herrera and Ms. Martha Piedrafita, representatives from VENANCHAM, visited with DAs Terri Fariello to discuss the political and economic situation in Venezuela. Also present were Rebecca Gaghen, David Pumphrey, Henry Santiago, and Christine Fletcher. The discussion included plans for the forthcoming visit of the Secretary to Caracas, as well as VENAMCHAM's plans for their full membership's trip to Washington D.C. on March 6-7, and their hopes that Secretary Richardson will take the opportunity to hold a short meeting with the larger delegation at that time. With regard to the economic situation in Venezuela the visitors were cautious in their assessment; while there are some indications for hope government actions remain unclear.

Africa IWG - Prepared material for presentation to the Africa IWG on Friday. When final, this material will be included in

the matrix of activities implementing the Africa Ministerial from last year.

From:

Price, Robert S

Sent:

Friday, February 11, 2000 8:37 AM

To:

BREED, Patricia; CLARKE, Denise; DOWNS, Sharon; GALE, Barry; HILLARY, Keena; JODOIN, Peter; KLIMKIEWICZ, Wanda; PERSON, George; PIEPER, ERICH; REES,

Kathleen; SACKS, Steve; SOLIMAN, Moustafa

Subject:

FW: Daily Report from IA-42: 02.10.00

----Original Message---

From:

Brodman, John

Sent:

Thursday, February 10, 2000 5:27 PM

To:

DL-IA-4.2; Alicia Porter, Calvin Humphrey, Darren Peters, DAVID GOLDWYN; David Jhirad; David Pumphrey; Donna Bobbish;

Emma Gilliard; Kate English; Leonard Coburn; Linda WHITTED; Matthew Willis; Robert PRICE; Steve SACKS; Teresa Beeman;

Theresa Fariello

Subject:

Daily Report from IA-42: 02.10.00

Natural Gas Initiative: Prepared background paper and talking points for the Deputy Secretary's upcoming meeting with the Mexican Under Secretary of Energy.

IEA: Interventions and background papers are being prepared jointly with the State Department for the upcoming SLT/GB meetings in Paris on Feb. 22-24. Topics for discussion include nuclear power, domestic policies and measures, cross-border natural gas project, regulation reform in European gas, world energy outlook, appliance and equipment labels and standards and standards and standards are standards.

POTUS:

On another topic, Clinton was asked if he has decided whether to stop in Pakistan on his trip in March to India and Bangladesh.

He responded: "We haven't made a decision on the final itinerary yet. I want to make a trip which maximizes the possibilities not only for constructive partnerships for the United States in the years ahead, but even more urgently, for peace in that troubled part of the world. That has enormous implications for people in the United States and throughout the world, more, I suspect, than most people know. And I hope in the time that I have here that we can make some progress, because it is something that I remain profoundly concerned about for years and years into the future."

S. ASIA: Tom Cutler prepared a draft "scope paper/roadmap" to be used as a briefing guideline for the briefing with S2 on his upcoming trip to Nepal and Philippines.

APEC: Revised and recirculated the draft Speakers memo and VIP Invitees list, to incorporate suggestions received today. We need to go over this memo as the lists are becoming very long, but we are still a long way from comprehensive. Sent talking points to Jayne Brady for inclusion in her Press Event memo. Jayne circulated a draft press statement for review. Working on briefing books for San Diego. ENRON will sponsor the reception on the 16th, and ARCO will spring for lunch on the 17th. We are estimating that the cost of the meeting room only (cost to DOE) for this event will be around \$700.

Fina/TOTAL/ELF: Met today with Mme. Vera de LaDoucette, the Director of International Relations for Fina-Total-ELF, whose merger was approved yesterday by the EU, for a wide ranging discussion of company politics in a merger, oil markets, S. Asia, Africa, OPEC, and the Middle East.

From:

Price, Robert S

Sent:

Friday, February 11, 2000 8:42 AM

To:

BREED, Patricia; CLARKE, Denise; DOWNS, Sharon; GALE, Barry; HILLARY, Keena; JODOIN, Peter: KLIMKIEWICZ, Wanda: PERSON, George: PIEPER, ERICH: REES.

Kathleen; SACKS, Steve; SOLIMAN, Moustafa

Subject:

FW: DAR 2/10/00 - IA-32

—Original Message—

From:

Pumphrey, David

Sent:

Thursday, February 10, 2000 6:05 PM

To: Alicia Porter: Calvin Humphrey: Darre

Alicia Porter; Calvin Humphrey; Darren Peters; DAVID GOLDWYN; David Jhirad; Donna Bobbish; Emma Gilliard; John

BRODMAN, Kate English; Leonard Coburn; Linda WHITTED; Matthew Willis; Robert PRICE; Steve SACKS; Teresa Beeman; Theresa Fariello, Andrea Lockwood; Carolyn Haylock; Debra Smith; Gary Ward; Henry Santiago; Kathleen Deutsch; Michelle Billig;

Russell Profozich: Thomas Sperl

Subject:

DAR 2/10/00 - IA-32

Brazil - Terri Fariello and David Pumphrey met with Rubens Barbosa, Brazil's Ambassador to the United States. He described the new economic plan being put forward by the government to lay out an integrated approach for the development of infrastructure in transportation, communication and energy. The plan calls the investment of \$180 Billion dollars, at least 25% from the international. The Ambassador said that the Energy Minister and other senior government officials will be in Houston on April 14 to discuss the energy aspects of the plan. He offered to set up meetings for DOE with the Brazilians in Houston. The Ambassador mentioned that he has requested a meeting with the Secretary to discuss the new plan and ask the Secretary to come to Brazil. He also expressed interest in briefings for his economic staff on the oil market. We will check with scheduling to see if the request has come in and with EIA about the briefing.

Nigeria (ENRON) - At the industry dialogue, Chris Long mentioned that ENRON Nigeria had asked that the USG hold off on high level advocacy. They had a unexpectedly positive meeting with the Privatization Agency and wanted to see how that would develop.

Bolivia - Secretary's meeting with Bolivian Vice President Quiroga resulted in an agreement to announce a target in April. The Secretary may travel to Bolivia in May. Yesterday, Banzer appointed Jose Luis Carvajal as the New Minister for Sustainable Development. He represents a left wing party (MIR) that is gaining strength in the coalition. Carvajal is a civil engineer by training and a career politician. Until, yesterday, he was the Director General of the Social Investment Fund. No major policy changes are expected.

From:

Price, Robert S

Sent:

Tuesday, February 15, 2000 5:41 PM

To:

BREED, Patricia: CLARKE, Denise: DOWNS, Sharon; GALE, Barry; HILLARY, Keena; JODOIN, Peter; KLIMKIEWICZ, Wanda; PERSON, George; PIEPER, ERICH; REES,

Kathleen; SACKS, Steve; SOLIMAN, Moustafa.

Subject:

FW: DAR IA-32, 2/15/00

-Original Message

From:

Pumphrey, David

Sent: To:

Tuesday, February 15, 2000 4:46 PM

Alicia Porter; Calvin Humphrey; Darren Peters; DAVID GOLDWYN; David Jhirad; Donna Bobbish; Emma Gilliard; John BRODMAN; Kate English; Leonard Coburn; Linda WHITTED; Matthew Willis; Robert PRICE; Steve SACKS; Teresa Beeman; Theresa Fariello; Andrea Lockwood; Carolyn Haylock; Debra Smith; Gary Ward; Henry Santiago; Kathleen Deutsch; Michelle Billig;

Russell Profozich; Thomas Sperl

Subject:

DAR IA-32, 2/15/00

AES Uganda Update: Andrea Lockwood and Michelle Billig met with Christian Wright for an update of AES' efforts raise visibility to USG, World Bank and NGO's for their Uganda dam project. AES has received IFC (World Bank Group) approval to have the IFC mandate and review the project. However, a meeting scheduled with Kurt Robinson, VP OPIC was cancelled at the last minute. AES VP Ken Woodcock was also to have been involved in that meeting. AES is concerned because they have already invested approximately \$100,000 at OPIC to begin the OPIC process--not to mention the \$1 million plus they burn a day on the project overall. They will have a meeting with Jan Piercy, US Director to the World Bank March 17. We advised them to meet with Treasury, NGO's.We suggested they ask Piercy to convene the interagency group on the project, noting Treasury sensitivity with us convening it as AES requested. Christian Wright is returning to Uganda to host 17 World Bank officials, Bob Chestnut will be in Washington covering the issue until Wright returns.

Nigeria - Russ Profozich attended the US-Nigeria JEPC meeting yesterday. The major issue of discussion was preparation for the visit by Nigerian Vice President Abubakar. Under Secretary of State Alan Larson will meet with the Vice President on Thursday, Feb. 17 at 4:00 pm. The State Dept. would like a brief one paragraph statement from each agency on activities with Nigeria as background for the Dep.Sec. I'll prepare something and send it around. Regarding the possible meeting with Secretary Richardson, State indicated that they prefer a meeting on Friday, Feb 18, but would look into a possible Thursday meeting. However, this appears unlikely as the Vice President's schedule is full for that day.

The JEPC also distributed the matrix of activities that each agency is involved in with Nigeria. They would like DOE to review and up date its submission. State also would like info on how DOE is involving the private sector in its activities.

The next JEPC meeting is scheduled for May 15-17 in Nigeria. State would like this meeting to be used to obtain commitments from the Nigerians to participate in various activities that show movement in the reform program outlined by the Government of Nigeria.

South Africa Cliamte Change Working Group - Held interagency meeting for South Africa Climate Change Working Group. EPA and State attended. We spoke with AID separately. All the agencies are on board with the composition of the U.S. side of the Working Group. Each agency will work its connections to determine if the Terms of Reference are actually under review by the interagency team in South Africa. By the middle of next week each agency will send in a list of its activities that may fall under the Working Group's perview.

ENRON Guatemala - Met with Curly Baca who is an advisor to Ken Lay on the Caribbean Basin and Chris Long. They had questions about changes in Guatemala and implications for energy investment.

Energy Services and Investment -- Peter Collins Deputy Assistant USTR met with Terri Fariello to discuss the scope and timing of the new negotiations related to expansion of the General Agreement on Trade in Services, emphasizing plans to include Eenrgy Services in these new negotiations. Also present at the meeting were Harvetta Asamoah (GC), John Brodman, Russell Profozich, and Henry Santiago. Collins gave a short description of the purpose and aims of the negotiations and his desire to insure DOE involvement in the development of the energy services portion of these negotations. These negotiations began before the Seattle November Trade Ministerial but there is no deadline for completion at this time. A U.S. industry consortium is preparing a draft of a comprehensive definition of energy services, which is scheduled to be completed sometime in March, and Collins would like DOE assistance in reviewing this draft for

completeness and accuracy. Collins also noted that the current plans involve the inclusion of Government Procurement of services within the scope of the Agreement, as well as obligations on regulatory bodies from the federal government down through the state and local governments.



From:

Billig, Michelle

Sent:

Friday, November 30, 2001 11:15 AM

To:

Person, George

Cc:

Benson, Erika: Ward, Gary: Pumphrey, David

Subject:

bolivia update

Spoke to the econ officer and EH is retrieving reporting cable. I don't think we need to add this to paper but useful when he asks. I added the ref to the pipeline in the paper.



ec. Yev.doc



Word is Bolivia has signed MOU for sales agreement with Sempra in California (call in to confirm). BP, BG, and Repsol have formed exploratory group. TEF may join. EM reviewing options (plate full with Venezuela LNG project). Peru fears competition with Camisea project. Important to note that Chile and Bolivia do not have full diplomatic relations.

Bolivia needs to expand capacity of Bolivia-Brazil pipeline by 2003 to meet sales agreement with Brazil. May look to Exim for additional funds. Enron still owns 25% stake in Transredes (national pipeline company). Shell blocked sale of Enron share to Petrobras. USG advocacy successful in getting supreme decree in place which ensures 12% IRR on pipeline. (YEAH!)

From:

Esser, Charles

Sent:

Tuesday, May 01, 2001 1:38 PM

To: Subject: Benson, Erika RE: Caribbean Gas

Hi Erika,

Well, the draft looks fine, but I don't know how much more information information you want to include. There are more things going on in matural gas,

and I am sending you parts of my draft version of the Caribbean Fact Sheet (NB:

For your use only, I can get in trouble if it is distributed before it has

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processing on Trinidad. You might also want to mention Puerto Rico as it is part of the U.S. and therefore under DOE jurisdiction. Note the sections in bold as being especially relevant.

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or individual island nations in the Caribbean, this would be helpful.

Thanks,

Charles

Trinidad and Tobago

Trinidad and Tobago is by far the Caribbean's largest producer of oil and gas,

with 1999 oil production averaging about 128,000 barrels per day (bbl/d) and natural gas production of 414 billion cubic feet (Bcf). The country's oil revenues alone accounted for about a quarter of the country's gross domestic product (GDP) as recently as 1997, though oil production is slowly declining.

Oil revenues still constitute the largest earner of foreign exchange for the country. Crude oil reserves, at an estimated 686 million barrels, are expected

to last only another decade. Natural gas reserves, however, at an estimated 21.4

trillion cubic feet (Tcf), are expected to last for about 60 years. Significant

gas discoveries occurred in 2000-2001. Former Energy Minister Finbar Gangar

recently revised the government's gas reserve figure to 25 Tcf, with a possibility of 30 Tcf. BP is the nation's largest oil and gas producer, and Petrotrin is the state oil company. Petrotrin is the second largest oil producer

when its two-thirds-owned subsidiary Trinmar is accounted for.

Both gas and oil exploration activities in Trinidad and Tobago continued at

fast pace in 2000 and into 2001. Nevertheless, recent oil discoveries at

best

have only made up for declining production in existing wells, with overall production declining steadily since its peak in 1981. The government has encouraged new exploration, based on estimates that deep-water blocks off the

east coast of Trinidad could contain up to 1 billion barrels of oil, but there

also is a major effort underway to find additional oil onshore. Between summer

2000 and 2003, 16 exploration wells have been or will be drilled in five-to-six

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offshore blocks, all located adjacent to blocks containing proven asserves, for

competitive bids. Among the offshore blocks currently under exploration are: Block 25(a), operated and 55% owned by Shell Trinidad; Blocks 25(b) and 26, operated by Exxon Exploration and Production Trinidad under contract for the government; and Block 27, operated and 57% owned by Arco Trinidad Exploration

and Production. The first exploratory well to complete drilling in Block 25(a)

encountered no oil. Energy Minister Lindsay Gillette announced in February 2001

that Trinidad and Tobago will be mapping its last major open offshore acreage in

the 'ultra-deep' region off the east coast, with plans to offer blocks for competitive bidding after completion of a seismic survey.

Trinidad and Tobago has become one of the major gas development centers in the

world. Gas is expected to surpass oil as the main revenue earner for the country

in the near future. Gas is used for electricity and petrochemical production, as

well as heavy and light industry. Trinidad now has eight ammonia complexes (with

a ninth under construction), five methanol units, a urea plant, and an iron and

steel complex. Trinidad is the word's leading exporter of both ammonia and methanol. Large gas discoveries have been made recently. In May 2000, BP, in partnership with Spain's Repsol, made a 2 Tcf find off the southeast coast of

Trinidad. In October 2000, BP made the largest single energy discovery in Trinidad and Tobago's history, with a large find east of the southeast coast,

equivalent to 630 million barrels of oil. BP is continuing its exploration program in the area, with the company estimating that the local gas basin's reserves at about 100 Tcf. In June 2000, SHP Petroleum (subsidiary of Australia's SHP) announced that it made a second natural gas discovery off the

northeast coast of Trinidad.

April 1999 saw the first loading of Trinidad and Tobago's liquefied natural gas

(LNG), exported by the Atlantic LNG Company (a consortium of BP at 60%, Repsol-YPF at 20%, and Cabot Trinidad at 10%) to Spain and the United States.

Trinidad and Tobago is now the largest LNG exporter to the United States. The

Atlantic plant is considered the largest single-train plant ever built, and the

first LNG producer in the Latin America and Caribbean region. The plant took only 6.5 years to build, from conception to operation -- the fastest ever for an

LNG plant. Atlantic now plans a \$1-billion expansion to triple the plant's capacity, from 3 million to 10 million tons per year, and the government in March 2000 approved the construction of two additional gas trains to be completed in 2003. BP is building one of the world's largest offshore gas

processing units as part of a \$500-million project to supply gas to these additional trains. The pipeline will be one of the world's largest, with the capability to transport 2 Bcf/d uncompressed. Completion of the plan will make

the complex the fourth-largest in the world.

In June 2000, it was announced that U.S.-based Reema International would construct, own, and operate a Gas-to-Liquids (GTL) plant on Trinidad's western

coast. It will cost an estimated \$300 million and will convert $100 \, \text{Mcf/d}$ of natural gas into $10,000 \, \text{bbl/d}$ of various petroleum products. Shell International

Gas Ltd. is conducting a feasibility study for a GTL plant in Trinidad as well.

The Dominican Republic

The Dominican Republic has sought to alleviate chronic shortages by buying power

from private producers and privatizing selected power plants, as power cuts remain a problem for businesses and the general population. The Dominican Republic completed auctioning off its electricity assets in May 1999. However,

this privatization so far has not resolved the Dominican Republic's fundamental

problem of assuring a steady supply of electricity to its population. Demand is

growing at about 7% per year, yet demand already outstrips supply, though not

necessarily available capacity. Part of the reason for this is that droughts have periodically reduced hydroelectric power available from dams such as Aguacate. Another reason is that private generators, such as AES, Cayman Power,

and Enron, have taken about 300 MW out of production because of non-payment by

the government - the current debt owed to them is about \$100 million. The government, however, charges Union Fenosa (Edenorte and Edsur subsidiaries) and

AES (Edeeste subsidiary), the two companies that took over distribution from formerly state-owned company Corporacion Dominicana de Electricidad (CDE), with

withholding funds needed to pay the suppliers. But, the distributors allege that

the government does not pay for its own consumption, nor the subsidies that lower consumer electricity rates, on time, making it difficult to maintain the

distribution system working effectively. (Note that Union Fenosa and AES are both distributors, through their subsidiaries, and private generators.) The general electricity law that may bring further privatization is still being debated in Congress.

Despite the need for further structural reform, foreign firms continue to invest

in the Dominican Republic's power infrastructure. Union Fenosa and Enron

an agreement in October 2000 to invest \$550 million in a 500-MW gas-powered plant in Punta Caucedo, as well a new regasification plant. AES will invest \$340

million to build a 300-MW gas-fired plant and a LNG importing terminal near Santo Domingo. Taiwan announced in August 2000 that it will build a small 5-MW

diesel-fired plant costing \$60 million. Union Fenosa's 190-MW Palamara y La Vega

plant is now running at 100% capacity, after being inaugurated in September 2000. CDE's 3x100-MW combined cycle plant near San Pedro de Macoris is under construction by a Siemans-led consortium, with completion expected in first-quarter 2002.

Puerto Rico

Puerto Rico's primary electric power producer and grid operator, publicly-owned

Puerto Rico Electrical Power Authority (PREPA), in January 2000 initiated a

\$2.4-billion program to increase the island's electric generation capacity. Economic growth has averaged 3% annually in recent years, and there had been concerns that electricity demands associated with economic growth would exceed

generation capacity. Electricity demand is estimated to be growing at about 3.4%

per year. PREPA has signed contracts with IPPs to increase the island's generation capacity from about 4.6 gigawatts (GW) to 5.8 GW by 2002. In January

2000, the EcoElectrica facility, a 507-MW, \$670-million gas-fired power plant

owned by Enron and Kennetech was connected to the Puerto Rican grid. In August

2000, the first shipment of LNG from Trinidad and Tobago arrived in Ponce, where

there is an LNG receiving terminal used to bring gas to the plant. Two more projects are planned, one to repower PREPA's aging power stations in San Juan

(adding about 464 MW) and another for a new 454-MW power station, built by U.S.-based AES. The AES plant will cost \$815 million and will be the first coal-fired plant in Puerto Rico. Completion is expected in mid-2002. The plant

has the additional benefit of being able to sell its steam to Phillips Petroleum's Puerto Rico subsidiary. The EcoElectrica and AES facilities are part

of a general plan to reduce Puerto Rico's dependence on oil for electricity generation.

----Original Message----

From: Erika Benson_at_HQ-EXCH at X400PO

Sent: Tuesday, May 01, 2001 9:55 AM

To: Esser, Charles

Subject: Caribbean Gas

It was nice to talk to you as well on Saturday. Thanks for the update on Caribbean information. I haven't read through your e-mail completely yet, so I apologize if some of the information in the draft that I've sent is incorrect.

Take a look and let me know what you think.

Also, for the country analysis briefs, do you need any additional information or updates on DOE agreements or cooperation with the region?

Thanks,

Erika << File: CARIBGAS.WPD >>

Benson, Erika

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Despite the need for further structural reform, foreign firms continue to invest

in the Dominican Republic's power infrastructure. Union Fenosa and Enron reached

an agreement in October 2000 to invest \$550 million in a 500-MW gas-powered plant in Punta Caucedo, as well a new regasification plant. AES will invest \$340

million to build a 300-MW gas-fired plant and a LNG importing terminal near. Santo Domingo. Taiwan announced in August 2000 that it will build a small 5-MW

diesel-fired plant costing \$60 million. Union Fenosa's 190-MW Palamara y La Vega

plant is now running at 100% capacity, after being inaugurated in September 2000. CDE's 3x100-MW combined cycle plant near San Pedro de Macoris is under construction by a Siemans-led consortium, with completion expected in first-quarter 2002.

Puerto Rico

Puerto Rico's primary electric power producer and grid operator, publicly-owned

Puerto Rico Electrical Power Authority (PREPA), in January 2000 initiated a

\$2.4-billion program to increase the island's electric generation capacity. Economic growth has averaged 3% annually in recent years, and there had been concerns that electricity demands associated with economic growth would exceed

generation capacity. Electricity demand is estimated to be growing at about 3.4%

per year. PREPA has signed contracts with IPPs to increase the island's generation capacity from about 4.6 gigawatts (GW) to 5.8 GW by 2002. In January

2000, the EcoElectrica facility, a 507-MW, \$670-million gas-fired power plant

owned by Enron and Kennetech was connected to the Puerto Rican grid. In August

2000, the first shipment of LNG from Trinidad and Tobago arrived in Ponce, where

there is an LNG receiving terminal used to bring gas to the plant. Two more projects are planned, one to repower PREPA's aging power stations in San Juan

(adding about 464 MW) and another for a new 454-MW power station, built by U.S.-based AES. The AES plant will cost \$815 million and will be the first coal-fired plant in Puerto Rico. Completion is expected in mid-2002. The plant

has the additional benefit of being able to sell its steam to Phillips Petroleum's Puerto Rico subsidiary. The EcoElectrica and AES facilities are part

of a general plan to reduce Puerto Rico's dependence on oil for electricity generation.

----Original Message----

From: Erika Benson_at_HQ-EXCH at X400PO Sent: Tuesday, May 01, 2001 9:55 AM

To: Esser, Charles Subject: Caribbean Gas

It was nice to talk to you as well on Saturday. Thanks for the update on Caribbean information. I haven't read through your e-mail completely yet, so I apologize if some of the information in the draft that I've sent is incorrect.

Take a look and let me know what you think.

Also, for the country analysis briefs, do you need any additional information or updates on DOE agreements or cooperation with the region?

Thanks,

Erika << File: CARIBGAS.WPD >>

Benson, Erika

Reliane

From: Sent: Villar, Jose (Jose.Villar@eia.doe.gov) Wednesday, May 16, 2001 1:34 PM

To:

Benson, Erika

Subject:

FW: LNG's Role in North American and Caribbean Gas Supply

Jose A. Villar Natural Gas Division Energy Information Administration (202) 586-9613

----Original Message----

From: Villar, Jose

Sent: Thursday, May 10, 2001 11:35 AM

Fo: Trapmann, William

Subject: FW: LNG's Role in North American and Caribbean Gas Supply

This is the conference in Virginia that we were talking about.

Jose A. Villar Natural Gas Division Energy Information Administration (202) 586-9613

----Original Message----

From: Ducca, Ann

Sent: Thursday, April 19, 2001 4:03 PM

To: Villar, Jose

Cc: Campbell, Elizabeth

Subject: FW: LNG's Role in North American and Caribbean Gas Supply

Jose,

This is the conference I was talking about. As we discussed, I talked to Scott Weeden today and told him that EIA would not be able to provide a speaker because we did not have the staff resources to prepare for it. I also asked if there was a government rate for participants. He said he would look into that. If these dates work for you, you may want to follow up with him on the government rate.

----Original Message----

From: Scott Weeden [SMTP: SWeeden@ZeusDevelopment.com]

<mailto:(SMTP:SWeeden@ZeusDevelopment.com)>

Sent: Friday, April 06, 2001 11:55 AM

To: 'ann.ducca@eia.doe.gov'

Cc: Bob Nimocks

Subject: LNG's Role in North American and Caribbean Gas Supply

Dear Ann,

We're working on a conference in Arlington, VA, June 27-29, entitled "LNG's Role in North America & Caribbean Gas Supply," that may interest your natural gas practice. It will be held at the Crystal City Marriott and features a tour of the Cove Point terminal (see www.LNGExpress.com) http://www.LNGExpress.com) > . As you might suspect, this topic is quite interesting and has generated much attention among senior gas executives. A draft outline of the program is as follows:

Wed., 27-Jun:

- Morning: Elective LNG Workshop: "Locating a Receiving and Regassification Terminal in North America - A Stiff Challenge"

- Afternoon: Tour of Cove Point receiving terminal
- Evening: Dinner reception

Thurs., 28-Jun:

- Current North American Natural Gas Marketplace
- Key Issues Surrounding Current Gas Supply/Demand Balance
- Review of Changing Dynamics of Conventional Gas Supply Sources
 - Onshore U.S. (Gulf Coast/Mid Continent/Other).
 - Gulf of Mexico
 - Western Canada
 - Potential for Eastern Canada
 - Potential for Northern Mexico
- LNG's current supply role
- LUNCH
- Panel: LNG Export Projects for North American Markets
 - Existing (Point Fortin, Bonny Island, North Africa)
 - Proposed (Venezuela, Alaska, Northern Australia, Peru, Algeria, Norway,

Egypt)

- BREAK
- Panel: Existing U.S. Terminals (Lake Charles, Elba Is., Cove Point, Everett)
- RECEPTION

Fri., 29-Jun:

- Transportation issues
- Prospects for new North American mainland and floating terminals (El Paso, Phillips, Chevron, ExxonMobil)
- BREAK
- Prospects for Caribbean terminals, including terminals with undersea pipelines or transmission lines to U.S. (AES, Union Fenosa, PDVSA, Enron)
- LUNCH
- Downsizing LNG Terminals to Compete with LPG, Diesel and bunker-fired power (TBA)
- Conference ends 3PM

In some instances, we'll present our own analysis, but in most cases we've invited industry speakers. We would welcome EIA's participation Thursday morning as part of the discussion of "Current North American Gas Supply Marketplace," "Key Issues Surrounding Supply/Demand Balance" and/or "Changing Dynamics of Conventional Gas Supply Sources in North America."

A similar conference we held last year, entitled "LNG in the Atlantic Basin," drew some 400 senior executives to Savannah. I am told the fourth train for the Nigeria Bonny Island LNG plant was negotiated at the meeting, so I think it is the audience that EIA wishes to reach.

Please let me know if you or another of your colleagues would be interested in participating. I'll follow with a phone call.

My phone number is 832-200-3710.

Thanks.

Sincerely,

Scott Weeden --- -- -- Managing Editor
LNG Express --

Benson, Erika

From:

Person, George

Sent:

Saturday, June 23, 2001 9:34 AM

To:

Erickson, Gina; Benson, Erika

Cc: Subject: Ward, Gary: Sanchez, Delano; Francis, Maria; Lockwood, Andrea RE: E-mail for Expert Input for the Caribbean Natural Gas Forum

Spoke w/Dave.

There are major issues/questions.

Where's the host government in the preparatory process?

What are the objectives of the workshop?

What services have been provided and monies expended by Guy?

From where would the massive investment for re-gasification infrastructure be obtained and what near-term market would anchor the project to help ensure commercial viability?

Let's talk early Tuesday and be prepared to gain final approval/direction from Dave and Randa (Thursday after the NAEWG process has settled).

Thanks.

George

-Original Message-

From: Sent:

Friday, June 22, 2001 2:29 PM

To:

Person, George; Benson, Enka

Cc:

Ward, Gary; Sanchez, Delano; Francis, Maria

Subject:

RE: E-mail for Expert Input for the Caribbean Natural Gas Forum

Erika, in the Database is a list of companies you may be interested in sending out any invitation, after George approves it of course. Gary may want to review the list of companies before we send out the invites.

Gina -

-Original Message

From:

Person, George

Erickson, Gina

Sent:

Friday, June 22, 2001 12:52 PM

To: Cc:

Benson, Erika

Subject:

Ward, Gary; Sanchez, Delano; Erickson, Gina; Francis, Maria RE: E-mail for Expert Input for the Caribbean Natural Gas Forum

Timeout. Stop the ball. Do not send out anything.

Let's all schedule time on Tuesday (before the day becomes hectic), possibly 9.

Thanks.

-Original Message

From: Benson, Erika

Sent: Friday, June 22, 2001 12:42 PM

To:

Person, George

Ward, Gary; Sanchez, Delano; Erickson, Gina

Subject: E-mail for Expert Input for the Caribbean Natural Gas Forum

To keep the ball rolling on the Caribbean Natural Gas Forum to be held in August in Trinidad I will be sending out

a letter, draft agenda and the draft concept paper (which includes the most recent changes by George and Andrea) to the World Bank, Inter-American Development Bank and industry experts. I hope to receive some feedback on the agenda topics and appropriateness of the issues covered in the conference.

Thanks to Delano Sanchez for gathering the names and e-mail addresses as well as for finding the appropriate people to have these documents sent to.

Below are a list of who I will be sending the attachments:

- 1.) Frank Lookin, Project Manager of the Atlantic LNG Project, Trinidad
- 2.) Ciro de Falco, Manager, Region 3, Inter-American Development Bank
- 3.) Neville Beharie, Trinidad Representative, Inter-American Development Bank
- 4.) Badrul Haque, Caribbean Representative, IADB
- 5.) Sue Goldmark, Caribbean Development Projects, World Bank
- 6.) Norman Cameron, Natural Gas Div., Caribbean Development Bank
- 7.) Henry Means, PR., Enron Caribbean Basin, Global LNG
- 8.) Robert Solberg, President, Texaco Commercial Development
- 9.) Rob Fenton, LNG Coordinator, Shell U.S. Gas and Power
- 10.) David Cobb, Director, LNG Commercial development, CMS Trunkline Co.
- 11.) William Smith, President, El Paso Global LNG
- 12.) Paul Smith, VP Upstream Development, BPAmoco TT
- 13.) Paula Rockstroh, VP Communications, Tractebel North America

<< File: Caribbean Forum Agenda.doc >> << File: Carib LNG Strategic Dev Concept Paper.doc >> << File: letterdraft.wpd >> Erika Benson Office of International Affairs U.S. Department of Energy 202-586-6531

Benson, Erika

From:

Lockwood, Andrea

Sent:

Wednesday, June 06, 2001 10:54 AM

To:

Person, George; Angulo, Veronica; Pumphrey, David; Hudome, Randa

Cc:

DL-IA-3.2

Subject:

Meeting with ISAC-6

Meeting with ISAC 6: Andrea Lockwood briefed the ISAC -6(Industry Sector Advisory Group for Trade Policy Matters on Energy) on June 5. The ISAC group was chaired by Raymond Bragg, a consultant representing Consolidated Natural Gas (CNG). Also present were David Burnett, Picenace Natural Gas; Leslie Coleman National Mining Association; Arthur Downey, Baker Hughes; Dave Gribbin, Halliburton; Terry Thorn, Enron; and Bill Whitsitt, Domestic Petroleum Council. John Rasmussen serves as the point of contact for the group from Commerce. ISAC-6 was chartered by Congress in 1974 and began meeting regularly in 1981. All members of the group have security clearances and are mandated to report to Congress on all relevant matters of trade policy.

At the meeting, Ray Bragg told me that they wrote a report for Congress on the FTA and the FTAA that critiqued the trade agreements and emphasized that the group felt that Mexico was too strong in its positions against private investment in Energy. He said the group was very interested in the NAEWG and would like to actively participate. The group disliked the language in the press statement and the National Energy Policy egarding respect for Mexico's constitution and sovereignty and urged us to "leap frog the trade agreements and press for openings, especially with Mexico". I told them the June 27-28 meeting was not open to industry although we hoped to create an ongoing role. They asked that special consideration be given to the ISAC since they are all cleared. They urged ongoing participation by industry. We agreed to stay in close contact.

Sam Beatty from Helen Burrough's office at Commerce pulled me aside after the meeting and said-Commerce is working on a proposal to present at the June 27-28 meeting calling for creation of a Trilateral Business Development Working Group, to be chaired by Commerce. They planned to present it under the purview discussion section of the agenda. I asked for a proposal to be reviewed by DOE and then transmitted to the Mexicans and Canadians before the meeting. He said he would consult with Helen Burroughs. Andrea Lockwood,

NOV. 7, 2001 - Background for PCM

Private Sector Concerns

Background:

Liquefied Natural Gas (LNG)

There are two competing proposals for LNG projects that have been presented to the Venezuelan Ministry of Energy and PDVSA. They are the VLNG- 2006 to be developed by ExxonMobil/PDVSA and the Jose Project to be developed by Enron/PDVSA. The Ministry of Energy in Venezuela created a team to discuss the two competing projects and stated that it was likely that this team will decide which project goes forward.

The Ministry has replied to the VLNG consortium proposal. The Ministry stated that the current agreement for the VLNG project was null and void and the Ministry would like a new project proposal where PdVSA will be the majority stakeholder with a minimum share of 60 %. The VLNG Consortium has submitted a new proposal and the Ministry is expected to return a decision by the end of November.

The Enron project cannot proceed on construction or make any definite-determinations on the natural gas reserve potential without the approval by the Ministry of Energy. Enron has expressed concerns that delays by the Ministry may result in a missed opportunity to solidify a position in the LNG export business if a decision is not made soon.

Liquefied Petroleum Gas (LPG)

Vengas is the leading transporter and distributor of LPG in Venezuela and 97 percent owned by Enron. The LPG industry in Venezuela is currently in a financial crisis because of the failure of the Government of Venezuela to make tariff adjustments to compensate for inflation and cost increases. The inflation rate in Venezuela in FY 2000 was 13 percent and is expected to reach more than 12 percent this year. The lack of tariff adjustments has forced the industry to limit their investment and maintenance programs. Enron is pushing for a resolution, which should take into account inflation and other external issues affecting the industry, as well as create a process for continued modification of LPG tariffs moving forward. This will allow for the industry to continue investing in maintenance and upgrades.

Coal

Tomen America and Trans Mar Coal are two U.S. investors asking for USG assistance in their legal disputes with the Ministry of Energy and Mines in Venezuela. They both have had interests in Venezuela since 1993 and concessions to use specified coal mines since 1995. Since their purchase of two mining concessions, Cosila (the Venezuelan subsidiary of Trans Mar Coal) has invested millions of dollars in exploration and environmental impact and economic feasibility studies, but has yet to receive the necessary permits from the Ministry of Energy and Mines to conduct the mining operations. In addition, a temporary port was established, contingent on the building of a permanent port, for the

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export of the mined coal. Trans Mar and Tomen have been making lease payments on the site without any guarantee if and when a permanent port can be built.

Talking Points for Private Sector Concerns

- I would like to mention some U.S. private investor concerns that have been brought to our attention in the last few months.
- LNG: We believe that Venezuela has enormous potential as a future Liquefied Natural Gas (LNG) supplier to the region. We are pleased to hearthat the Ministry is still interested in pursuing LNG development, reduced sosts and increased demand have made this an opportune time for LNG to supply the regional market. However, decreasing the private sector percentage share for future LNG projects, reduce the chance of finding and retaining large investors, which may in turn reduce the probability of success of Venezuela's entry into the LNG market.
- LPG: The LPG industry in Venezuela has expressed the need for adjustments in the current tariff structure. It would be prudent to take into account inflation and other external issues affecting the industry, as well as create a process for continued modification of LPG tariffs to move forward. This will allow for the industry to continue investing in maintenance and upgrades.
- Coal: U.S. Coal industry investors have approached us about pending permits for their mining operation in Venezuela. We understand that there are three permits necessary to begin exploitation of the mine. One permit has been awarded and another is awaiting a hearing on December 7th and the third permit is pending review by the Attorney General. Are there any updates on the Attorney General's review process?

Venezuela's Energy Sectors Status of Privitization

OIL SECTOR

Venezuela nationalized its oil industry in 1975-76. PdVSA, one of the world's largest oil companies, is by far the largest business and employer in the nation. Privatization of the company is banned by the 1999 constitution. Since 1996, auctions and investments in oil and gas rights have earned PdVSA billions of dollars in joint venture agreements with major international oil companies. PdVSA has established "strategic alliances" and "production sharing agreements" (PSAs) with foreign oil companies. However, political uncertainty and disappointing returns on investments have worked against increased private involvement in the sector.

Since 1996, private oil companies have participated in rounds of bidding for "operating services agreements." The deals were designed to help PdVSA attain its goal of increasing production capacity. In the third round of bidding in 1997, over 100 foreign companies pre-qualified for bidding on 20 blocks. There are four congressionally approved joint ventures in extra-heavy crudes in the Orinoco Belt in which PdVSA is a minority owner. The projects could add 600,000 bbl/d of syncrude to international markets by 2006, much of which will serve the U.S. Gulf Coast.

According to a five-year plan released in late February 2001, PdVSA plans to spend \$45.3 billion on its oil and gas sector between 2001 and 2006, and aims to raise crude oil production capacity to 5.5 million bbl/d by 2006.

PdVSA operates one of the Western Hemisphere's largest refining systems and is one of the world's largest oil refiners. Domestic refinery capacity stands at about 1.3 million bbl/d, with significant additional holdings in Curaçao, the United States (in Lake Charles, Lemont, Corpus Christi, Paulsboro, Savannah, and Lyondell), and Europe (with Nynas and Ruhr Oel). Venezuela plans to invest \$2.6 billion in refinery upgrades over the next five years, mostly for improving product quality rather than expanding capacity.

NATURAL GAS

PdVSA traditionally has had a monopoly on Venezuelan natural gas production. Foreign companies, such as Shell, have operated in joint ventures with PdVSA. However, August 1999 legislation opened up the sector to foreign investment in exploration and production, distribution, transmission, and gasification (although no company would be allowed to explore, produce, and transport in the same region). The law allows for up to 20% to be charged in royalties. However, with the exception of exploration, companies have not gotten significantly involved with the natural gas sector, especially downstream. Royalty rates and the lack of incentives have held back foreign investors. Hopefully, the new (yet to be released) Hydrocarbon Law will provide some much needed regulatory confidence and incentive for the foreign investor.

Existing natural gas infrastructure consists of 3,000 miles of pipeline, and Venezuela is seeking foreign investors to help expand this network. At least seven new privately-built

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pipelines are planned as part of a ten-year, \$8-10 billion natural gas project to decrease the country's reliance on oil. The first pipeline, to be built by U.S.-based CMS, currently is facing delays. Venezuela is interested in connecting its gas distribution network to that of neighboring Colombia. Through Colombia, Venezuela could connect to much of the South American continent. It also is interested in connecting with northern Brazil.

In the area of Liquefied Natural Gas (LNG) development, Venezuela has been lagging behind it's fierce Caribbean competitor, Trinidad and Tobago. Venezuela has yet to approve two competing proposals for LNG projects presented to the Venezuelan Ministry of Energy and PDVSA. They are the VLNG- 2006 ExxonMobil/PDVSA and the Jose Project- to be developed by Enron/PDVSA. The Ministry of Energy in Venezuela created a team to discuss the two competing projects and stated that it was likely that this team will decide which project goes forward. The Ministry may miss the window of opportunity to solidify a position in the LNG export business if a decision is not made soon.

ELECTRICITY SECTOR

The Venezuelan electricity sector is a mixture of state-owned utilities, comprising the majority of the sector, and some private companies. The sector has been characterized by under-investment, heavy state control, controlled tariff rates, and frequent shortages. The rapid electricity demand growth and serious under-investment in the power sector have resulted in shortages and a need for private investment, at an estimated cost of \$5 billion over the next five years.

Venezuela began privatizing its regional power distribution companies in 1998-1999, when a consortium led by U.S.-based, CMS Energy Corporation. In June 2000 U.S.-based AES Corporation launched an unexpected and successful hostile takeover bid for Electricidad de Caracas (EDC), Venezuela's largest privately-owned power company. AES paid \$1.7 billion for the company. The Chávez administration is recorded as considering the sale a completely private affair in which the government had no interest, separate from overall deregulation and privatization plans.

Privatization plans were reactivated in the summer of 2000, this time with the aim of finding strategic partners for participation in the electricity sector. The new effort is targeted at finding companies to purchase majority interests in state utilities and to operate the companies rather than to find outright buyers for the utilities. As a final preparatory step before sales commence, the government plans to "unbundle" electricity companies by September 2001, separating firms into generation, transportation, distribution, and marketing units.

From:

Pumphrey, David

Sent:

Monday, March 06, 2000 6:54 PM

To:

Alicia Porter; Calvin Humphrey; Darren Peters; DAVID GOLDWYN; David Jhirad; Emma Gilliard; John BRODMAN; Kate English; Leonard Coburn; Linda WHITTED; Matthew Willis; Robert PRICE; Steve SACKS; Teresa Beeman; Theresa Fariello; Andrea Lockwood; Carolyn Haylock; Debra Smith; Gary Ward; George PERSON; Henry Santiago; Kathleen Deutsch;

Michelle Billig; Russell Profozich; Thomas Sperl

Subject:

DAR -- IA-32 -- 3/6/00

Peru – The Chamber of Commerce held an International Forum breakfast with the Prime Minister of Peru, Alberto Bustamante and the Economic Minister Efrain Goldenberg. Both Ministers described the economic achievements of the Peruvian economy - inflation at 4% and economic growth at 7% — and their privatization efforts - nearly all of the state owned industries have been privatized. The clear message was that if Fujimora wins the election in April these policies will continue.

NARUC International Activites - Russ Profozich and I met with Commissioner Joe Garcia of the Florida Public Service Commission and chair of NARUC's International Committee. We discussed reviving the DOE-NARUC partnership to provide regulatory assistance to regulatory agencies in developing countries. NARUC will be interested in working with us in this area.

ENRON Latin America - Met with Steve Burns and Jose Bestard of ENRON to discuss developments in Peru, Bolivia and Brazil. Bestard, who is responsible for regulatroy affairs in Latin America described some issues related to open access for natural gas systems in Argentina and Brazil. His outlook for Peru was positive though the next tender for Camasea's gas transportation system will need to be modified to make the project financable and there are concerns about environmental resistance given that the pipeline will cross a rain forest area.

Electricity trade symposium - Kathy Deutsch and I had a conference call with the Arizona Governor's office about the U.S.-Mexico Electricity Trade Symposium. Arizona has clear objectives of providing opportunities for Arizona companies to meet with Secretary Tellez. They are willing to work with us about the agenda but within limits. They would like to mail invitations for the event, scheduled for April 12, at the end of this week.

Chevron in Colombia - Terri Fariello, Hank Santiago and I met with Boidy Sibley and Diana Sedney about an issue related to a contract Chevron had to operate an oil field in Colombia. Chevron is looking for our assistance in getting the Colombian Government to review favorably their proposal to renew the contract.

From:

Pumphrey, David

Sent:

Monday, March 27, 2000 6:35 PM

To:

Alicia Porter; Calvin Humphrey; Darren Peters; DAVID GOLDWYN; David Jhirad; Emma Gilliard; John BRODMAN; Kate English; Leonard Coburn; Linda WHITTED; Matthew Willis; Robert PRICE; Steve SACKS; Teresa Beeman; Theresa Fariello; Andrea Lockwood; Carolyn Haylock; Debra Smith; Gary Ward; George PERSON; Henry Santiago; Kathleen Deutsch;

Michelle Billig; Russell Profozich; Thomas Sperl

Subject:

DAR - 3/27/00 - IA-32

Nigerial - Spoke with Mark Tomlinson of the World Bank about their Nigeria activites. The Bank has been asked by Obasanjo to help them procure generators to ease the electricity crisis situation. The is helping design a procurement and bidding process for 450 MW of emergency power. They hope to be able to start advertising in April and give vendors 3-4 weeks to respond. K&M Engineering has been looking at possible sites for generators, all of which would be at existing power plants. One of their concerns is to make sure that a transparent process is put in place. On Enron he said that the Bank is standing back and considers it a commercial decision. Tomlinson saw the head of the Bureau of Public Enterprises, Nasia at Rafia, last week who told him that Bola Ige is now the Minister of Steel only. The Power side of the portfolio is being covered by the Board set up to manage NEPA. We will check this. Russ Profozich said that AID is also preparing to work on the crisis situation as well. He is going to Nigeria with Rolf Andersen on the 6th of April. It would probably be good to meet with both groups this week to get ready for David's trip.

Mexico - Memo to TJ for the Electricity Trade Symposium has been completed and is coming up.

From:

Pumphrey, David

Sent:

Monday, March 27, 2000 6:35 PM

To:

Alicia Porter; Calvin Humphrey; Darren Peters; DAVID GOLDWYN; David Jhirad; Emma Gilliard; John BRODMAN; Kate English; Leonard Coburn; Linda WHITTED; Matthew Willis; Robert PRICE; Steve SACKS; Teresa Beeman; Theresa Fariello; Andrea Lockwood; Carolyn Haylock; Debra Smith; Gary Ward; George PERSON; Henry Santiago; Kathleen Deutsch;

Michelle Billig; Russell Profozich; Thomas Sperl

Subject:

DAR - 3/27/00 - IA-32

Nigeria - Spoke with Mark Tomlinson of the World Bank about their Nigeria activites. The Bank has been asked by Obasanjo to help them procure generators to ease the electricity crisis situation. The is helping design a procurement and bidding process for 450 MW of emergency power. They hope to be able to start advertising in April and give vendors 3-4 weeks to respond. K&M Engineering has been looking at possible sites for generators, all of which would be at existing power plants. One of their concerns is to make sure that a transparent process is put in place. On Enron he said that the Bank is standing back and considers it a commercial decision. Tomlinson saw the head of the Bureau of Public Enterprises, Nasia at Rafia, last week who told him that Bola Ige is now the Minister of Steel only. The Power side of the portfolio is being covered by the Board set up to manage NEPA. We will check this. Russ Profozich said that AID is also preparing to work on the crisis situation as well. He is going to Nigeria with Rolf Andersen on the 6th of April. It would probably be good to meet with both groups this week to get ready for David's trip.

Mexico - Memo to TJ for the Electricity Trade Symposium has been completed and is coming up.

From:

Pumphrey, David

DAR 3/28/00 IA-32

Sent:

Tuesday, March 28, 2000 5:56 PM

To:

King, Rachel; Alicia Porter; Calvin Humphrey; Darren Peters; DAVID GOLDWYN; David Jhirad; Emma Gilliard; John BRODMAN; Kate English; Leonard Coburn; Linda WHITTED; Matthew Willis; Robert PRICE; Steve SACKS; Teresa Beeman; Theresa Fariello; Andrea Lockwood; Carolyn Haylock; Debra Smith; Gary Ward; George PERSON; Henry Santiago;

Kathleen Deutsch; Michelle Billig; Russell Profozich; Thomas Sperl

Subject:

Nigeria Emergency Power Assistance: Continued to work relevant issues and prepare for possible trip to Nigeria. S1 letter to President Obasanjo cleared by NSC. State's clearance anticipated in the morning. Coordinated issues with AID, Enron, World Bank and other representatives. AID team is to be in Nigeria starting April 7 for about a week. They will be preparing a "Road Map" for energy sector in Nigeria. DOE invited to participate. George could stay on. Drafted country clearance cable for team and tried to confirm (through various sources) organizational change that would "strip" energy responsibilities from Minister Bola Ige's portfolio (Power & Steel). Also, Defense Secretary Cohen reportedly will be in Nigeria (Friday/Saturday) and Embassy may feel "overly taxed" (overwhelmed).

South Africa Binational Commission Energy Committee Meeting: Planning continued for proposed meeting around April 12 or 13, depending on schedule of principals. A senior officials meeting will be held prior to Ministers Meeting. DOE program representatives canvassed for input on deliverables and proposed new activities, table of content prepared for S1 briefing book, and coordination continues with other USG reps on environmental [as in climate change] (AID/EPA) and nuclear safety (NRC) issues.

DOE-US AID Cooperation on Africa: Prepared talking points for working luncheon between Calvin Humphrey and Assistant Administrator Vivian Lowery Derryck. Emphasis on gaining support for DOE-OPIC Sustainable Program proposal submitted for Africa Trade and Investment Policy (ATRIP) Program funding (\$1.3M); Nigeria activities, including DOE/AID programs to be developed; and possible cooperation with Mozambique under USG reconstruction efforts.

Mexico - Representatives from IA-32 and IA-41 attended an Interagency Working Group meeting chaired by State Department to begin preparing for the 17th U.S.-Mexico Binational Commission Meeting on May 18, 2000 in Washington. They expect to follow last year's format and have a one-day meeting encompassing these events: 1) an Opening Plenary session; 2) half the Working Groups (there are 15 total) will meet for two hours in the morning while the Secretary of State and the Foreign Minister have their bilateral and then drop by the Working Group sessions; 3) the Secretary of State will probably host a private lunch for Cabinet Members and Ministers only; 4) the remaining Working Groups will meet for two hours in the afternoon; and 5) there will be a Closing Plenary session with reports from the Working Group chairs. The Energy Working Group will meet during the morning session, and Secretary Tellez is tentatively scheduled to attend for Mexico but has to leave at mid-day. We understand the meeting is also on Secretary Richardson's calendar. Over the next five weeks, we will work with our Mexican counterparts to develop an agenda and identify deliverables for the meeting. State has asked each Working Group to provide an agenda, list of U.S. and Mexican participants, list of deliverables, and a two-page backgrounder by May 5 for inclusion in the official briefing book.

OPIC Africa Sustainable Energy Fund- IA, GC and EE met with OPIC officials to work out the Interagency Agreement for the US-Africa Sustainable Energy Program. OPIC is eager to get this up and running. Next steps include identifying criteria for project selection and developing a process for project approval. DOE will provide comments to OPIC's draft agreement by next week and OPIC will finalize the document and send it over for approval shortly thereafter

From:

Pumphrey, David

Sent:

Tuesday, March 21, 2000 2:17 PM

To:

Goldwyn, David; Fariello, Theresa; Person, George

Cc:

Santiago, Henry: Willis, Matthew

Subject:

RE: Enron in Nigeria

I believe that your meeting is still on. I talked to Chris Long and asked that he let Joe know that you would like to see him. The delinking issue is something that has come out of the World Bank recommendations. I'm not sure that we know enough about the internal dynamics going on around the contract to know if that is really the main stumbling block. Did Christine bring up the traffic or should bring it around?

Original Message— From: Goldwyn, David

Sent: Tuesday, March 21, 2000 2:08 PM

Pumphrey, David; Fariello, Theresa; Person, George

Subject:

RE: Enron in Nigeria

I understand that Nigeria wants to d-link phases 1 and 2 and that the other issues can be resolved if this happens.

Am I seeing Enron at 3?

-Original Message-

From:

Pumphrey, David

Sent:

Tuesday, March 21, 2000 1:54 PM To: Goldwyn, David; Fariello, Theresa; Person, George

Subject:

Enron in Nigeria

Enron has three power barges of 30 MW each in Nigeria ready to go. All they need is a signed letter of credit issues by the GON guaranteeing payment by NEPA. The Nigerians have been raising the other issues related to length of contract and linkage to phase 2.

From:

Pumphrey, David

Sent:

Thursday, March 16, 2000 4:17 PM

To:

'Dunn, Patrick M'; 'Muller, Stephen H'

Cc:

Person, George RE: Nigeria

Subject: RE

Thanks for the thoughts. Hearing went well. There were a couple of questions on Sudan and Talisman but Calvin was able to just refer to our sanctions policy.

On JEPC, we still don't know for sure but will probably be Calvin or David G.

----Original Message-----

From: Dunn, Patrick M [mailto:DunnPM@state.gov]

Sent: Thursday, March 16, 2000 3:04 PM
To: Pumphrey, David; Muller, Stephen H

Subject: RE: Nigeria

It is true that under the current structure some of NEPA's revenues are escrowed. However, it should be noted that Enron originally sought to market directly to customers (just as a fully privatized entity would do) and it was NEPA, not Enron, that demanded the NEPA role. It does not necessarily follow that any structure under the "new" NEPA would have to use the same kind of arrangements. however, even if Enron were to market independently of NEPA (which should, I would think, appease the pro-privatizers somewhat, since it fits with a longer-term restructuring of the sector), it would represent competition in it's core market (Lagos) and therefore could still affect the value of NEPA.

That said, let's face it: NEPA's not worth much anyway. Their generating costs are reportedly something like 11 cents/kwh, and that's when they can even keep the equipment running. As I see it, any privatization will have to focus more on the rights than the infrastructure.

If that is the case, I think it unlikely that the whole sector would be privatized en masse. Individual investors will come in and build projects one at a time, until some reasonable market penetration threshold is reached. Viewed in that light, the Enron project is not anti-privatization, it is the first step in that privatization.

Likewise, the transparency issue is only a problem if the parastatal continues to monopolize the sector and control production rights. In such a a condition, it decides whom to award contracts to, and that requires open bidding. But in a decentralized system with no monopoly (which is what everyone hopes to move towards anyway), there would be bidding only for purchase and rehabilitation of existing assets. I would think that Greenfield projects would be primarily market-based. If you are willing to take the risk, and you move faster than the other guy, you win.

That said, these are all long-term issues. Steve is 100% correct when he notes that the near-term objections (since the monopoly did exist at the time the contract was signed) are based on the lack of formalized competitive bidding.

I also agree with his comments on Sudan/CNPC.

(I had already cleared on the proposed testimony with our folks internally, but didn't send word to you. My apologies for the oversight. No harm done, since I thought it was fine as it was written.)

Cheers, Patrick.

---Original Message----From: Muller, Stephen H

Sent: Thursday, March 16, 2000 12:06 PM

To: 'Pumphrey, David' Cc: Dunn, Patrick M Subject: RE: Nigeria

This looks pretty goood. The only suugestion I would make is that in the Enron discussion, you should also highlight the transparency issue (ie, contract signed directly with Enron, not subject to open bidding, etc.) and clarify that the Enron transaction potentially complicates the privatization of NEPA because significant NEPA revebues are escrowed specifically to service the Enron contract.

On Calvin's testimony, upon further reflection, I suggest that Calvin simply note that there are sanctions on Sudan and refer more detailed inquiries to State and Treasury. He should also stay out of the Sudan/CNPC IPO issue and say this is up to SEC and NYSE.

On the May JEPC meeting in NIgeria, what would the nature of the USDEL be?

Good luck
----Original Message---From: Pumphrey, David [mailto:David.Pumphrey@hq.doe.gov]
Sent: Thursday, March 16, 2000 11:47 AM
To: Steven Muller (E-mail)
Subject: Nigeria

Here is what we have prepared for the non-oil market discussion on Nigeria.



From: Sent: Pumphrey, David

Thursday, March 16, 2000 12:11 PM

To: Cc: 'Muller, Stephen H'

Muller, Stephen F

Cc: Subject: 'Dunn, Patrick M'; Person, George

RE: Nigeria

b5

Thanks Steve. This is helpful.

George, can you fit this in.

----Original Message----

From: Muller, Stephen H [mailto:MullerSH@state.gov]

Sent: Thursday, March 16, 2000 12:21 PM

To: Pumphrey, David Cc: Dunn, Patrick M Subject: RE: Nigeria

This looks pretty goood. The only suugestion I would make is that in the Enron discussion, you should also highlight the transparency issue (ie, contract signed directly with Enron, not subject to open bidding, etc.) and clarify that the Enron transaction potentially complicates the privatization of NEPA because significant NEPA revebues are escrowed specifically to service the Enron contract.

From:

Pumphrey, David

Sent:

Thursday, March 16, 2000 11:50 AM

To:

Andrea Lockwood: Carolyn Haylock: Debra Smith: Gary Ward: George PERSON: Henry

Subject:

Santiago; Kathleen Deutsch; Michelle Billig; Russell Profozich: Thomas Sperl FW: Technology Cooperation Agreement Pilot Project: Private sector a ctivities

—Original Message—

From: mfyodorova@bcse.org%INTERNET [mailto:mfyodorova@bcse.org] <mailto:

[mailto:mfyodorova@bcse.org]> Thursday, March 16, 2000 10:46 AM

Sent: To:

Dixon, Robert; Holt, Elmer; Sacco, Thomas; Llenza, Charles; English, Kate; King, Rachel; Pumphrey, David;

Bradley, Richard; dhales@usaid.gov%INTERNET; kbarrett@usaid.gov%INTERNET; dlakich@usaid.gov%

INTERNET; christopher.bordeaux@ee.doe.gov%INTERNET; kurt.zwally@ee.doe.gov%INTERNET; schwengels.paul@epa.gov%INTERNET; leggett.jane@epamail.epa.gov%INTERNET;

narel.tracy@epamail.epa.gov%INTERNET; hoyt.sarita@epa.gov%INTERNET; dmarsh@state.gov%INTERNET; jbarry@usaid.gov%INTERNET; Jefferson B. Seabright@whectf.eop.gov%INTERNET;

stolpman.paul@epa.gov%INTERNET; narel.tracy@epamail.epa.gov%INTERNET;

Ronald.Bowes@ee.doe.gov%INTERNET; sandra.guill@ee.doe.gov%INTERNET; cduisberg@usaid.gov% INTERNET: pklimas@usaid.gov%INTERNET: goweynand@usaid.gov%INTERNET: mmurray@usaid.gov%

INTERNET; pflanagan@usaid.gov%INTERNET; clowry@usaid.gov%INTERNET; dlakich@usaid.gov%

INTERNET

Cc:

ron_benioff@nrel.gov%INTERNET; ljacobson@bcse.org%INTERNET

Subject:

Technology Cooperation Agreement Pilot Project: Private sector a ctivities



participation 3

Dear Colleague:

Please find below (and attached) key highlights of TCAPP's collaboration with companies and business trade groups covering the months of January/February 2000. I would be happy to provide you with further information on any of the items listed below. As well, please let me know if you have any comments or suggestions.

Best regards.

Maria Fvodorova <<pre><<pre><<pre>private sector participation 3-00.doc>> Maria Fyodorova International Associate **Business Council for Sustainable Energy** 1200 18th Street, NW Suite 900 Washington, DC 20036 tel. (202) 785-0507 fax (202) 785-0514 email: mfyodorova@bcse.org www.bcse.org

Technology Cooperation Agreement Pilot Project (TCAPP)

Private Sector Activities Update January/February 2000

1

Brazil

- In early February, TCAPP hosted a briefing by Jayme de Hollanda,
 General Director, National Institute of Energy Efficiency (INEE), Luiz
 Augusto Nogueira Horta, Director, Brazilian National Agency of Petroleum
 (ANP) and Fernando Jose Cunha, Specialist, PETROBRAS on cogeneration
 opportunities in the Brazilian market. Companies that participated
 included: Trigen Energy, Advanced Engineering Associates International, ECR
 International, Financial Times Energy, Integra Partners, LLC, McKinsey &
 Company, Millennium Inorganic Chemicals, MITCON, Northern Power Systems
 Rolls-Royce USA, Thermax Limited, among others. Additionally, key trade
 groups and associations promoted the briefing. National Association for
 Energy Service Companies, the Export Council on Energy Efficiency,
 COGEN-Europe, and the International Cogeneration Alliance distributed the
 invitation to the briefing to their memberships.
- The briefing highlighted specific opportunities for companies to participate in the Brazilian cogeneration market and generated interest in the TCAPP-Brazil Cogeneration Investment Conference planned for May 2000. Several companies were interested in discussing specific collaboration opportunities with TCAPP:
- Financial Times Energy was interested in discussing how to coordinate on an upcoming Power Sector conference they
 are organizing in Brazil;
- BG Technologies was interested in discussing similar public sector/private sector activities to promote technology transfer being undertaken by the EU;
- Advanced Engineering was interested in identifying ways to cooperate on TCAPP priorities in Brazil and India;
- The International Cogeneration Alliance included a comprehensive article on TCAPP activities with cogeneration in Brazil and in other TCAPP countries in their member newsletter and asked TCAPP to draft part of an upcoming magazine article on cogeneration in Brazil. The article is due to be released in late April.
- Mitcon and Thermax Ltd., two Indian-based companies, were very interested in the upcoming seminar in Brazil (which TCAPP is promoting) and other ways TCAPP could assist them with entering the Brazilian market.

China

• In early January, TCAPP held an interagency team meeting in which the motors and wind teams presented draft reports on barriers, actions and strategies. SDPC and the wind and motors teams agreed to implement six actions under TCAPP this year: wind resource assessment; turbine testing for certification; wind business partnerships; motors testing and standards; motors systems training; and motors business partnerships and financing. Technology transfer actions included capacity building activities as well as policy initiatives under the facilitation of business development. The Interagency Team selected biomass gasification and natural gas combined cycle generation as two additional priority technologies for future cooperation. Companies that participated in this meeting included representatives from Fulin Windpower Development Corporation, China Energy Conservation, Investment Corporation, and State Power Corporation.

Egypt

Over 30 companies, trade groups, and associations were invited to attend inter-agency meetings in Egypt March 6-7. These companies included: York Air Conditioning and Refrigeration, Inc., Babcock & Wilcox, Egyptian Vehicles Manufacturing Co, Baldwin Engineering, El Amreya Oxelin, Elag Egyptian Ind. Gases Co., Gasco, Int. Liquid Air Co., Messer Egypt, Natural Gas Projects Co., BP Amoco Egypt, Du Pont De Nemours International, General Electric, Caltex Egypt, Burlington Chemicals, DOW Chemicals, Exxon Corporation (ESSO Standard Inc.), Eveready, I.C.I., Mobil Oil, Johnson Wax,

Colgate Palmolive Egypt, Egyptian American Paints Coatings Company, American Egyptian Manufactured Steel Structure, Household Cleaning Products Company.

A full report on participating companies is forthcoming and will be included in the next update.

Kazakhstàn

• TCAPP activities in Kazakhstan, led by Ministry of Energy, are moving forward with several potential projects already clearly identified. The projects include: a 350 kW Almaty small hydro plant, a 900 kW Almaty combined heat and power plant, a 40 MW Aktubisk combined-cycle plant, a 17 MW Shimkent gas plant, a 51 MW Condensat gas plant, a 35 MW Kumkol gas plant, and a18 MW Prorva gas plant. Econergy International will be travelling to Kazakhstan in April to conduct a technical and financial review of these projects. Project briefs will be prepared from this information for presentation to potential business partners.

Korea

- Two US energy service companies attended a TCAPP-sponsored ESCO meeting in Korea January 22-30 to explore opportunities for joint projects. These companies included Sempra Energy Services Company and Duke Engineering Services. Several Korean companies and associations were represented at the meetings including Korea Solar Energy Society, EPS Korea, Daewoo Corporation, Samsung Everland and the Korean Association of Energy Service Companies (KAESCO). Meeting discussions included models used worldwide for the execution of Energy Saving Performance Contracts (ESPC) and Save Energy Contracts, auditing, financing of projects, past projects, and opportunities for new projects in Korea. KIONA provided a two-day training course on energy auditing for around 30 Korean participants.
- The US ESCOs, together with potential Korean ESCO partners, were given a tour of a potential project site, the Hyundai Motors Assembly Plant in Ulsan, Korea, which is the largest auto manufacturing facility in the world. The ESCOs identified information that will be required for them to consider investing in this site. KEMCO is compiling this information which will be distributed to the U.S. ESCOs to help them further evaluate this investment opportunity.
- In addition, representatives from Sempra and Duke met with KEMCO and contractor representatives to discuss methane recovery from municipal waste.
 A potential project, Taegu landfill located south of Seoul, was identified and next steps were defined to further evaluate the investment potential for this site.

Mexico

- TCAPP arranged for several energy service companies (ESCOs) to meet with potential business partners and key energy officials in Mexico as part of a ESCO workshop in Mexico organized by the National Association of Energy Service Companies (NAESCO) and the Export Council for Energy Efficiency (ECEE). TCAPP arranged several meetings for Onsite Sycom, CMS Energy and Sempra Energy Services with potential Mexican business partners (including Celsol and Energy Saving de Mexico. The purpose of these meetings was to explore specific ESCO project opportunities and possible joint venture partnerships between the Mexican and international ESCOs. TCAPP also held several meetings with other Mexican companies interested in potential partnerships with U.S. ESCOs, including Pluz, ESM, and Alpe Promociones.
- TCAPP worked with the U.S. companies, NAESCO, CONAE, FIDE, and other
 organizations to develop a program for supporting the development of up to 8
 pilot ESCO projects in Mexico. Under this program, TCAPP will work with
 CONAE and FIDE to identify private and public facilities in Mexico
 interested in ESCO investments and will assist U.S. ESCOs in establishing
 performance contracts with these facilities to help catalyze the ESCO market
 in Mexico.

Philippines

- The World Wildlife Fund has approached TCAPP to identify areas of collaboration to promote an initiative that would
 work with European businesses to promote clean energy investment in the Philippines.
- Through a cooperative effort with U.S. Hydropower Council for International Development, Dennis H. McCandless, President of East Indies Consulting Services, is travelling to the Philippines to collect and organize data and project information on hydro and mini-hydro near-term investment opportunities. The results will be used by the Philippines DOE and TCAPP to encourage hydro investment and will be distributed to American firms through the U.S. Hydropower and other organizations.

SADC

- During the recent trip of the SADC country lead to South Africa, discussions were held with several companies about TCAPP/CTIP work:
- Solar Power-Kgalagdi Resources Development Company proposed two
 projects ideas: 1) an initiative to facilitate reform of building codes in
 Botswana to provide incentive for incorporating solar power into new
 construction and, 2) a project involving solar water heating.
- Siemens RSA was briefed on TCAPP work and several potential projects were discussed.
- Rural Area Power Solutions (RAPS) discussed possibilities for collaboration with TCAPP. RAPS supports the African Rural Energy Enterprise Development (AREED) project, a UNEP program, and has obtained a concession from the RSA government to provide off-grid power to areas in South Africa.
- Shell Oil-South Africa discussed a potential project to develop the Kudu Bay natural gas fields and supply the Cape Province with natural gas replacing coal as a fuel source and, potentially, resulting in substantial reductions in net carbon emissions.

BCSE Technology Transfer Paper

- A draft of the technology transfer paper was introduced to attendees at the BCSE Climate Change Task Force meeting on January 24 and comments were requested. Several participants agreed to provide comments on the paper. Attendees included: American Standard/Trane company, PIMA, Alliance to Save Energy, NAIMA, Enron Corp., SEIA, York International and Hearth products.
- BCSE also forwarded the paper to Julie Brokaw, Bechtel, who is
 organizing a session on climate change for the Business Roundtable group.
 The Business Roundtable is a group of 100 major companies from all over the
 world. Brokaw agreed to distribute the draft paper to company members on
 the climate session planning committee and to identify specific individuals
 to provide comments. Other ideas for how the TCAPP could work with the
 Business Roundtable were also discussed.

From:

Price, Robert S

Sent:

Friday, February 11, 2000 11:30 AM

To:

BREED, Patricia: CLARKE, Denise: DOWNS, Sharon; GALE, Barry; HILLARY, Keena: JODOIN, Peter, KLIMKIEWICZ, Wanda; PERSON, George; PIEPER, ERICH; REES.

Kathleen; SACKS, Steve; SOLIMAN, Moustafa

Cc:

Pumphrey, David

Subject:

FW: Report on DOE's International Affairs Industry Dialogue Meeting of February 10

Dave's right. This is a good summary--notwithstanding Dave's getting top billing. FYL-E

--Original Message

From:

Pumphrey, David

Sent:

Friday, February 11, 2000 10:55 AM Fariello, Theresa; Brodman, John; Price, Robert S; Willis, Matthew

Subject:

To:

FW: Report on DOE's International Affairs Industry Dialogue Meeting of February 10

We should get John to work for us. Good summary - especially since I come first. Should we take and rearrange and make available?

----Original Message----

From: JHARRNGTN@aol.com@INTERNET [mailto:JHARRNGTN@aol.com] < mailto:

[mailto:JHARRNGTN@aol.com]>

Sent:

Friday, February 11, 2000 10:40 AM

jharrington@claa.org@INTERNET; bill_garner@kne.com@INTERNET; wstephen@apsc.com@INTERNET; To:

Kirk Sherr@txu.com@INTERNET; ksherr@tu.com@INTERNET; rrc@azstarnet.com@INTERNET;

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renee.salas@exxon.com@INTERNET; bwhittle@advocast.com@INTERNET;

ambdip@hotmail.com@INTERNET

Subject:

Report on DOE's International Affairs Industry Dialogue Meeting of February 10

Dear Energy Sector Colleague:

This was the third in a series of periodic (roughly quarterly) meetings held by the International Affairs staff of the U.S. Department of Energy to brief industry on recent past and upcoming international actions of DOE. DOE also uses these meetings to hear from the U.S. energy industry.

The meeting on February 10, 2000 ran from 10:30am to noon. It was chaired by Calvin Humphrey, Principal Deputy Assistant Secretary for International Affairs in place of Assistant Secretary David Goldwyn who was to chair the meeting. Secretary Goldwyn was on Capitol Hill testifying so that the Deputy Secretary T.J. Glauthier opened the meeting and provided some overall remarks and asked for comments from the 35 or so industry representatives participating. He pointed out that DOE has a very active international program with Secretary Bill Richardson frequently traveling abroad. During these trips DOE is constantly looking for commercial interests. Secretary Glauthier noted that he will be meeting with his Mexican counterparts on February 24th. He pointed out that DOE has a very active relationship with Mexico although energy liberalization is not going as fast as the USG would like. He noted possible pilot projects with Mexico such a trade in electricity across the border. During his Q&A's I noted that we had a private sector briefing with him scheduled for Monday, Feb. 14th at 3:30pm. Secretary Glauthier departed after his discussion.

In addition to issues of interest to those working the Latin American/Caribbean area, this session discussed China, the Secretary's trip to Norway, Baltics, and Ukraine, previewed the Secretary's trip to the Middle East, the President's trip to India, and a South Asia regional meeting. A brief summary of these issues is included at the end.

Topics of Interest to those involved with Latin American/Caribbean Energy:

David Pumphrey, Office Director for Latin America and Africa, spoke on the Hemispheric Energy Initiative and the Business Forum. He discussed the upcoming energy ministerial which is expected to be in Mexico (not likely Mexico City) in July and the work DOE is doing to help form an agenda for that meeting. He then discussed the process of activating a Hemispheric Energy Business Forum. At the last hemispheric energy ministerial in New Orleans in July 1999, the ministers agreed that the private energy sector in the hemisphere should organize itself into a business forum. David then noted that Caribbean/Latin American Action (C/LAA) has volunteered to help coordinate the establishement of this Hemispheric Energy Business Forum. He then asked me to discuss the actions C/LAA has taken. After a brief introduction that C/LAA is a 23 year old educational non-profit. I discussed the event which C/LAA hosted in New Orleans which explored ways to make such a business forum work effectively. I pointed out that the key objective of this Forum is to improve the dialogue on energy issues between the public and private sector in the hemisphere. I noted that we had a commitment from a nInternet company Advocast to provide a "beta" test site for work leading up to the ministerial in Mexico in July. I also noted that at a session at C/LAA's Miami Conference in December we had a committment from the senior staff of Mexican Energy Secretary Tellez who are organizing the ministerial and private sector meeting, to utilize the Internet Forum to enhance the input from the private sector. C/LAA will be working closely with some contacts in the Southern Cone, the Andean countries, and Central America to draw non-U.S. companies into this process. Terri Fariello, Deputy Assistant Secretary for International Affairs noted that at the session in New Orleans where both Secretary Richardson and Secretary Tellez spoke (as did she), that Secretary Tellez made a specific appeal that he wanted this Hemispheric Energy Business Forum to have its first successful meeting at the energy ministerial in Mexico in the year 2000.

David Pumphry then gave an update on the Latin American Finance Initiative. He noted that this was announced at C/LAA's Miami Conference in December at a keynote address by Secretary Richardson. This financing initiative will

involve a trust fund established at the Inter-American Development Bank (IDB) which can receive funds from the USG, from other governments, and from foundations. David noted that this initiative has a good chance of success with Secretary Richardson's personal support. The goal will be to have the initiative well described by the time of the IDB's annual meeting in New Orleans in March 2000. It is expected that this fund will be used primarily for project formulation work on renewable and energy efficiency projects. David said that the goal would be to have this initiative fully described and announced by the time of the hemispheric energy ministerial in Mexico in July 2000. He also noted that DOE would like to use the Internet based Hemispheric Energy Business Forum to vet the ideas for this financing initiative.

Hank Santiago provided a short briefing on Mexico. He noted that the next several months would be very active with Mexico, with the meeting between the Deputy Secrtary T.J. Glauthier on Februay 24th and Under Secretary Chavez of Mexico beginning the process. He mentioned the clean energy initiative and a possible conference in the South West later in the spring on the topic of electricity trade. He noted that the energy working group of the U.S. Mexico Binational Commission is very active. The Binational Commission is headed on the U.S. side by U.S. Secretary of State Albright and on the Mexican side by the Foreign Minister Rosario Green. The Commission involves most cabinet officials from both countries. Hank mentioned the work leading up the the July energy ministerial in Mexico. He opined that the appointment of a new Director General for Pemex and the upcoming elections would suggest a pause in energy reform.

Robert Price, Director of DOE's Office of International Science and Technology Cooperation provided an overview of the International Clean Energy Initiative. In his State of the Union message, President Clinton asked the Congress "to help make more of our clean energy technology available to the developing world". This Initiative derives from a report from the President's Committee of Advisors on Science and Technology "Powerful Partnerships: the Federal Role in International Cooperation on Energy Innovation(www.whitehouse.gov/WH/EOP/OSTP/NSTC/PCAST/pcast.html). The FY2001 budget request includes \$100 million for this Initiative (\$46m for DOE, \$30m for AID, balance to Ex-Im, TDA, DOC). This Initiative has a goal of doubling clean energy exports by 2005, cut energy use in half in targeted country buildings and appliances, and to cut methane emissions from pipelines and coal mines by 100 MMTCE by 2005.

John Broadman, Office Director for European and Asian Affairs, reported on the upcoming APEC Energy Ministerial May 10-12, 2000 in San Diego. Energy ministers from five western hemisphere member countries are expected to attend (U.S., Canada, Mexico, Peru, and Chile) of the 21 member countries. The theme of this ministerial is: turning vision into reality. APEC has been successful in identifying "best practices" for IPPs, and for cross border flow of natural gas. However, APEC countries have been weak in implementation. This conference is to push implementation. It will have the same format at the western hemisphere ministerial in New Orleans in July 1999 and the African ministerial in Tuscon, AZ in December 1999. The first day will be a series of panels involving the private sector and ministers. The morning of the second day the ministers will meet alone and the private sector will have a seperate meeting. On the afternoon of the second day, the ministers would be available for one on one sessions with private sector companies officials. Broadman noted that the Energy Working Group Energy Business Network involving representatives of all APEC countries has been working well.

Topics on other parts of the world.

Terri Fariello provided an overview of a recent trip of Secretary Richardson to Norway, the Baltics and Ukraine. Richardson was the first energy secretary to visit Norway since the late 1980s. He met with U.S. business

reps in Norway. They reported few problems other than high taxation (87% rate). Richarson was the first energy secretary to visit Lithuania, Estonia, and Latvia. He found progress on privatization, political reform, and EU and NATO accession. He found a significant U.S. business presence represented by 35 company reps coming to a Saturday morning meeting in Lativia. Richardson was a keynote speaker in a U.S. Baltics Power Sector Conference. He pushed the Baltic countries to examine a regional approach to their energy needs. In the Ukrane he met with the president and his cabinet. He noted the Ukraine has a way to go on reform. He spoke on the Chernoble nuclear plant and the commitment from the Ukranians to close that plant in the year 2000.

Leonard Coburn, Office Director for the NIS, Russia, and the Middle East, provided a preview of the Secretary's upcoming trip Feb 19-27. A/S Goldwyn will be accompaning him to Isreal, Palestine Authority, Egypt, Kuwait, and Saudi Arabia. In Isreal and Palestine, Richardson will be working to build a bilateral relationship. He will sign a Science and Technology agreement with Isreal (solar research, electric bus cooperation), he will discuss a gas pipeline between Egypt and Isreal (hoping U.S. companies can provide a niche in this project), and the power plant in Gaza (Enron). In Egypt the Secretary will meet with the president and oil and electricity ministers and he hopes to move an important solar project forward (by a U.S. company). In Kuwait and Saudi Arabia he will be discussing the high oil prices and the tight oil markets.

John Broadman discussed the March 20-24 trip to India, Bangladesh, and possibly Pakistan by President Clinton. Secretary Richardson will be accompanying the President and energy and the environment will be a theme. One objective in India will to pushing for reform of the India state electricity boards.

Calvin Humphrey reported on an upcoming trip he and T. J. Glauthier would be taking March 6-8 to attend a conference in Katmandu, Nepal. This conference will promote South Asia energy development and their goal is to bring more projects to closure and to advance U.S. commercial interests. These two will then travel to the Phillipines to advance the APEC energy ministerial.

T.J. Glauthier spoke on the U.S. China Forum and the various working groups.

A/S Goldwyn chaired the energy subcommittee which suggested more IPPs and tax credits. An energy information protocol was also signed with China.

In the brief period available for questions/comments from industry, Bill Cummings of Texaco raised a problem in China in downstream activities. He noted the importance of trademarks for gasoline (eg, Texaco, Exxon, etc) and the pressure from China to use these trademarks with very little if any equity investment from the holders of the trademarks. DOE staff said they would raise this issue with their USTR colleagues.

From:

Brodman, John

Sent:

Monday, August 21, 2000 6:26 PM

To:

DL-IA-3.2; Billig, Michelle; Person, George; Alicia Porter; Calvin Humphrey; Darren Peters; DAVID GOLDWYN; David Jhirad; David Pumphrey; Donna Bobbish; Emma Gilliard; Kate English; Leonard Coburn; Linda WHITTED; Matthew Willis; Robert PRICE; Steve SACKS;

Teresa Beeman, Theresa Fariello

Subject:

Daily Report From IA-32: 08.21.00

- -Office Directors Meeting with Terri.
- -Trip Meeting on Nigeria
- -Senior Staff meeting with Dave Goldwyn
- -Nigeria Meeting with Dave Goldwyn et al.
- -South Africa Meeting with Calvin and Terri.

ENRON:

-reviewed Kathy's note on tomorrow's meeting with Enron.

Venezuela:

-tasked Hank to prepare briefer on upcoming Maisto meeting.

Nigeria:

-continued to review and revise talking points with George.

AOPS

-Lingering issues: TRESP/Angola; Bolivia \$3300 to Mal Caravatti in EE

Mexico:

-S1 invited to Ambassador's dinner for Pres. Elect Fox on Thursday. Paper in progress.

From:

Pumphrey, David

Sent:

Tuesday, March 28, 2000 8:56 AM

To:

Goldwyn, David

Cc:

Willis, Matthew, Fariello, Theresa, Humphrey, Calvin, Person, George, Santiago, Henry

Subject:

RE: DAR - 3/27/00 - IA-32

We're checking on the information. Have done outreach to BPA and searching for others. Timing is one issue. Money will be the next one. Talked to Russ about the grid aspect - don't think he really knows. We will probably have to check in the field - some of the WB's engineers or AID's may know.

-Original Message-

From: Goldwyn, David

Sent: Tuesday, March 28, 2000 7:29 AM

To: Pumphrey, David

Cc: Willis, Matthew; Fariello, Theresa; Humphrey, Calvin

Subject:

RE: DAR -- 3/27/00 -- 1A-32

Let's try to see both groups. See if Lagos confirms the change in Bola's portfolio. Should we modulate our letter to account for these other possibilities? Can we look into a Bonneville or other person to come along and look at viable emergency power options? Does Russ know whether adding more power to the grid from Egbin will actually allow Nigeria to divert more power to the North --or is their grid too unreliable to manage its load that way?

-Original Message-

From:

Pumphrey, David

Sent:

Monday, March 27, 2000 6:35 PM

To: Alicia Porter; Calvin Humphrey; Darren Peters; DAVID GOLDWYN; David Jhirad; Emma Gilliard; John BRODMAN; Kate English; Leonard Coburn; Linda WHITTED; Matthew Willis; Robert PRICE; Steve SACKS; Teresa Beeman; Theresa Fariello; Andrea Lockwood; Carolyn Haylock; Debra Smith; Gary Ward; George PERSON; Henry Santiago; Kathleen

Deutsch; Michelle Billig; Russell Profozich; Thomas Sperl

Subject:

DAR - 3/27/00 - IA-32

Nigeria - Spoke with Mark Tomlinson of the World Bank about their Nigeria activites. The Bank has been asked by Obasanjo to help them procure generators to ease the electricity crisis situation. The is helping design a procurement and bidding process for 450 MW of emergency power. They hope to be able to start advertising in April and give vendors 3-4 weeks to respond. K&M Engineering has been looking at possible sites for generators, all of which would be at existing power plants. One of their concerns is to make sure that a transparent process is put in place. On Enron he said that the Bank is standing back and considers it a commercial decision. Tomlinson saw the head of the Bureau of Public Enterprises, Nasia al Rafia, last week who told him that Bola Ige is now the Minister of Steel only. The Power side of the portfolio is being covered by the Board set up to manage NEPA. We will check this. Russ Profozich said that AID is also preparing to work on the crisis situation as well. He is going to Nigeria with Rolf Andersen on the 6th of April. It would probably be good to meet with both groups this week to get ready for David's trip.

Mexico - Memo to TJ for the Electricity Trade Symposium has been completed and is coming up.

From:

Brodman, John

Sent:

Wednesday, August 16, 2000 5:11 PM

To:

Cc:

DL-IA-3.2: Billig, Michelle: Person, George: Haves, Juanita: Alicia Porter: Calvin Humphrey: Darren Peters; DAVID GOLDWYN; David Jhirad; David Pumphrey; Donna Bobbish; Emma

Gilliard; Kate English; Leonard Coburn; Linda WHITTED; Matthew Willis; Robert PRICE;

Steve SACKS: Teresa Beeman: Theresa Fariello

Gilliard, Emma

Subject:

Daily Report From IA-32: 08.16.00

ENRON/Argentina:

-Officials from Enron are coming in Tuesday, August 22 from 1:30 - 2:20 p.m. to brief us on a problem they are having in Argentina. It involves their natural gas pipeline, TGS, which crosses through seven Argentine provinces. Three provinces have imposed a "stamp tax" on Enron which could end up costing the company over \$600 million. This problem has gone on for some time and Enron has been negotiating with the Federal Government (both during the Menem regime, and with the current Administration) to find a solution. The Federal Government has declared the imposition of this stamp tax to be illegal but can't seem to resolve the problem. Enron is coming to Washington to brief us and State Dept. on the issue and their intended next steps (filing a claim against Argentina with the International Center for the Settlement of Investment Disputes within the World Bank).

Enron officials will include Terry Thorn, Executive VP; Joe Hillings VP for Government Affairs; and Michelle Blaine, Senior Counsel. They will be accompanied by outside counsels - one from Argentina and one from a U.S. firm.

Canada Rumor.

-Kathy Deutsch saw Coleen Swords, the Minister-Counsellor for Economic and Trade Policy at the Canadian Embassy yesterday and she mentioned there may be a cabinet shuffle in Canada in the next few months. Lloyd Axworthy, the Foreign Minister, is apparently getting ready to retire. There is no official word to report, but Coleen said the Canadian press is speculating on his possible successor and that one candidate may be Energy Minister Goodale because he has been in Cabinet for quite some time.

-Finalized the memo to Telson and sent it around for concurrences.

S. Africa:

- Met with Calvin to go over script and issues for his phone call to Deputy Minister Shabangu. Still waiting to hear about participation of DEET in the Sept. 13-15 meeting of the CEWG.

Nigeria:

- -spoke with thge CIA and with Linda Dougherty of DOT today to get the pipeline safety package back on track. We heard yesterday from the NSC that the Nigerians would be interested in seeing what we had to offer in this area, as long as we kept it quiet, no press.
- -spoke with State/AF to convey information on S1's plans for bilats/signings.
- -spoke with TDA about possible agreement signings with NNPC during POTUS trip.
- -spoke with the NSC about the rural energy services deliverable.
- -Spoke with Rachel King and Kate English about possible signing of the Clean Energy Statement.

-met with Camille to go over status of actions. Need to determine status of Angola/TRESP/ED funds; the Florida Solar Energy Center \$25k; and source of additional \$10k for CLAA. Owe Camille paperwork for additional \$30k to NREL for Moz.

CSIS Africa Program:

-got a call today from Steve Morrison, director of the CSIS Africa Program, who is organizing a study on US interests in Africa, which will include an energy working group. He said he has talked to David and Matt about this. He is looking to organize a meeting of the energy working group for 2 hours on Sept. 6,7,or8th in the afternoon, or the 11th in the afternoon or the 12th anytime. He asked if I could coordinate with David Goldwyn's schedule and get back to him. Emma?

-met with Gary to discuss his draft on the HEI working group reorganization proposal, and agreed that it would be a good idea to circulate the current document for review and comment by the relevant program offices in preparation for the

upcoming HEI Steering committee meeting in Oct.

From:

Brodman, John

Sent:

Thursday, August 10, 2000 5:29 PM

To:

Billia, Michelle: Person, George: Alicia Porter; Calvin Humphrey; Darren Peters; DAVID GOLDWYN; David Jhirad; David Pumphrey; Donna Bobbish; Emma Gilliard; Kate English; Leonard Coburn: Linda WHITTED; Matthew Willis; Robert PRICE; Steve SACKS; Teresa

Beeman: Theresa Fariello

Subject:

Daily Activity Report From IA-32: 08.10.00

Caribbean: IA-32 representatives met with Overseas Private Investment Corporation (OPIC) staff to discuss possible joint activities in the Caribbean and Africa. On the Caribbean, the parties agreed to jointly host an energy, housing, and water workshop in Trinidad and Tobago in mid October. Representatives from IA-32 and the Office of Energy Efficiency and Renewable Energy will work with OPIC over the next few weeks on developing a draft agenda.

Hemispheric Energy Initiative: IA-32 developed a funding request to support an Internet Communication/Messaging Tool developed by Florida International University. The communication Tool currently allows the Western Hemisphere's 34 energy ministries to share messages, collaboratively create and edit documents, share files, and participate in real-time chat sessions. The proposed funding would be used to: 1) design and develop a series of training manual; 2) disseminate manuals to all Steering Committee members;

3) establish and maintain a support hot line; and 4) organize and host a training session for all Steering. Committee representatives.

IA-32 also developed a funding request to support CLAA's activities with the private sector in support of HEI initiatives.

HSEF: Michelle Billig consolidated our comments yet once again on the IDB's latest draft agreement and forwarded them to the IDB for consideration.

South Africa: Organized another conference call with South Africa today to discuss planning for the SA hosted African Ministerial and possible dates for the US-SA Clean Energy working group (CEWG). SA appears to be making good progress on the Ministerial, and they will send us a concept paper, with a draft agenda (program), themes and subthemes for comment by early next week. On CEWG, Sept. 13-15 are not good dates for them. Terri inquired if they would be willing to travel to Wash. DC for the meeting, so S2 could participate. If not, ASIA may lead our delegation to SA at a date TBD. We also proposed that we discuss planning for the Ministerial at the time we get together for the CEWG. See record of the conference call below.

- African Ministerial web site. Spoke with Denise Clarke (IA-41) about keeping the African Ministerial web site alive and updating it to promote the SA Conference. She will look into what it takes to roll the \$3k remaining in that account over to OSTI so we don't lose it.

RSA-Cord, Call, word

Enron/Argentina: Got a call from Joe Hillings today about an issue they have with the Argentines regarding a "stamp tax" that different Argentine States are charging Enron for the gas pipelines that run through their territory. The Fed Govt of Argentina has declared the taxes illegal, but the states are charging them anyway. Enroin will be bringing in a delegation led by Therry Thorn (plus 3 or 4) on Aug, 22 at 10 am. I need to reserve the conference room for them. David or Terri, are you available and interested in participating???

From:

Sperl, Thomas

Sent:

Friday, June 30, 2000 5:31 PM

To:

Sperl, Thomas; Pumphrey, David; King, Rachel; Porter, Alicia; Humphrey, Calvin; Jhirad, David; Gilliard, Emma; English, Kate, Whitted, Linda; Willis, Matthew; Price, Robert S; Sacks, Steve; Beeman, Teresa; Fariello, Theresa; Lockwood, Andrea; Haylock, Carolyn; Smith, Debra; Ward, Gary; Person, George; Santiago, Henry; Deutsch, Kathleen; Billig, Michelle;

Haves, Juanita: Goldwyn, David; Coburn, Leonard

Subject:

RE: IA-32 Dar, 6/30

Nigeria: Left message at USEmbassy Lagos requesting confirmation on Energy Consultative Group (ECG) Meeting dates and Nigerian acceptance of proposed agenda. IA-32 staff prepared draft script for the ECG Meeting and continued to finalize various inserts for the Goldwyn briefing book. Person participated in Goldwyn meetings with Babcock & Wilcox and K&M Engineering regarding electricity generation rehabilitation activities and investment climate. Talked with FE & EE reps regarding participation in visit and supporting papers. Circulated several documents to State and AID for review. Scheduled DOE/AID briefing at World Bank for Wednesday (July 5) at 1 p.m.. Informed by State that Enron emergency power purchase agreement of 270MW at \$147M for 5-years with terms to negotiate an additional 5-years period was finalized.

SUSTAINABLE HEMISPHERIC ENERGY FUND (HSEF): IA staff met to discuss next steps in establishing the HSEF. DAS Fariello will call U. S. Executive Director Harrington to get the ball rolling again and request a technical meeting with IDB to develop a strategy for drafting the framework documents. A meeting with Rogelio Novey is scheduled for next week to develop a strategy for securing IDB buy-in and Board approval.

BRAZIL: IA-32 Staff Intern Daniel Berger, researched background for upcoming trip by Assistant Secretary Goldwyn to pursue energy cooperation agreement. Entities researched were: Electrobras (the electric company) - activities of operation, joint ventures with US companies, status of privatization efforts (list of upcoming privatizations); Comgas (natural gas company - activities of operation, joint ventures with US companies, status of privatization efforts (list of upcoming privatizations); ANP (Agência Nacional do Petróleo) - oil sector regulator; ANEEL (Agência Nacional de Energia Elétrica) -(electricity regulator); PROCEL (National Electricity Cooperation Program); CEPEL (Electric Power Research Center).

Brazil (con'td).: Texaco – H. Santiago and M. Billig participated in a meeting with Ed Verona of Texaco hosted by DAS Fariello, to discuss that company's activities and experiences in Brazil. At this time Texaco has three licenses to explore for oil offshore. They have just recieved the permits to drill after a lengthy delay due to environmental review. He was not aware whether Texaco had joint activities with Petrobras. Texaco is looking to increase its presence in Brazil and welcomes intensified DOE engagement in Brazil. Verona also expressed keen interest in the upcoming West African Oil Spill Response Conference and offered Texaco's assistance in the planning and preparation of the event.

Bolivia: Embassy received clearance cable. IA began preparations for briefing book. Embassy will provide IA with status report after embassy event tomorrow.

Senegal: IA-32 Intem, earlier this week, provided input for PDAS Humphrey, who is in Senegal. Input included bilateral commitments with DOE, state dept. country report, world factbook entry, and other information.

International Activities Review: IA-32 Acting Director participated in the intra-agency review of international events and activities for DOE which was chaired by DAS Fariello.

Mexico— IA-32 participated in the intra-agency review of DOE's Mexican activities chaired by DAS Fariello. We are seeking acceptance of a date in September for the meeting of the HLWG which is to be chaired by the Dep.Sec. but Mexican officials are focused on the coming elections. We can expect little response until the week of July 10. We also sought to discuss the Southwest Border activities but Aguilera did not attend the meeting.

Priorities—IA-32 staff continued working on papers for the Year end and 12 month priorities. Prepared and passed documents to DAS Fariello for review.

From:

Sperl, Thomas

Sent:

Friday, June 09, 2000 4:24 PM

To:

Sperl, Thomas; Pumphrey, David; King, Rachel; Porter, Alicia; Humphrey, Calvin; Peters, Darren; Goldwyn, David; Jhirad, David; Gilliard, Emma, Brodman, John; English, Kate; Coburn, Leonard; Whitted, Linda; Willis, Matthew; Price, Robert S; Sacks, Steve; Beeman, Teresa; Fariello, Theresa; Lockwood, Andrea; Haylock, Carolyn; Smith, Debra; Ward, Gary;

Person, George; Santiago, Henry; Deutsch, Kathleen; Billig, Michelle

Subject:

RE: DAR IA-32, 6/9/00

Subject:

RE: DAR IA-32, 6/9/00

Nicaragua- Letter/fact sheet on Trans-Pacific Geothermal project in Nicaragua packaged for DLG signature. The letter follows the discussion that took place at the S1/Aleman meeting regarding the status of the new 20MW power proposal. The proposal requires approval by ENEL Board to begin actual contract negotiations. Today, TGC informed us that since his meeting with S1, meeting Aleman went before the ENEL Board to weigh in on approval for a Spanish wind power project, but made no mention of the TGC project. There was no reluctance to approve the Spanish project on account of privatization concerns TGC has been working to develop geothermal project in Nicaragua for several years and has encountered tremendous bureaucratic difficulties.

Brazil- IA met with Enron to discuss the energy situation in Bolivia and Brazil. IA spoke with the IDB and Treasury to discuss Brazil's plans for an emergency power loan.

South Africa Meeting: IA-32 Africa Team briefing Assistant Secretary David Goldwyn on time lines and progress to date on the key deliverables targeted for U.S.-South Africa cooperation in energy that resulted from the April 2000, U.S.-RSA Sustainable Energy Committee Team meeting.

From:

Sperl, Thomas

Sent:

Thursday, June 08, 2000 5:02 PM

To:

Sperl, Thomas; Pumphrey, David; King, Rachel; Porter, Alicia; Humphrey, Calvin; Peters, Darren; Goldwyn, David; Jhirad, David; Gilliard, Emma; Brodman, John; English, Kate; Coburn, Leonard; Whitted, Linda; Willis, Matthew, Price, Robert S; Sacks, Steve; Beeman, Teresa; Fariello, Theresa; Lockwood, Andrea; Haylock, Carolyn; Smith, Debra; Ward, Gary;

Person, George; Santiago, Henry; Deutsch, Kathleen; Billig, Michelle

Subject:

RE. DAR IA-32, 6/8/00

Bolivia: IA-32 staff met with Enron officials to brief them on the committments behind the Bolivia-Brazil MOU and advised them that Bolivia planned to conduct a transparent regulatory review of any projects proposed by Petrobras. Enron officials advised IA-32 staff of their growing concern regarding Petrobras's emerging dominent position in Bolivian gas.

Venezuela: IA-32 staff prepared the briefing material for DAS Fariello's participation in the conference on private sector developments being held on Margarita Island, Venezuela.

From:

Pumphrey, David

Sent:

Thursday, May 25, 2000 9:25 AM

To:

Alicia Porter, Calvin Humphrey, Darren Peters, DAVID GOLDWYN; David Jhirad; Emma Gilliard; John BRODMAN; Kate English; Leonard Coburn, Linda WHITTED; Matthew Willis; Robert PRICE; Steve SACKS; Teresa Beeman, Theresa Fariello; Andrea Lockwood; Carolyn Haylock; Debra Smith; Gary Ward; George PERSON; Henry Santiago; Kathleen Deutsch;

Michelle Billig; Russell Profozich; Thomas Sperl

Subject:

DAR IA-32 5/24/00

US-RSA BNC Regulatory Cooperation: IA-32 held a meeting with NARUC and NREL reps regarding the South African delegation arriving June 7-11. The purpose of the travel by representatives from the RSA National Energy Regulator and Department of Minerals and Energy to Washington, DC will be to develop a road map that will enable the South Africans to formulate a strategic plan to transform their electricity sector from a monopoly to competitive market. The competitive model that emerges from the planning sessions will probably be variations of the same basic model to enable the regulators to return to South Africa with a malleable product.

Brazil- IA attended a presentation by Alcides Tapias, Brazil's Minister of Development, Industry and Trade. He spoke about Brazil's strategy to increase exports, strengthen domestic capital markets, and continue fiscal reform.

Bolivia/Brazil- Yesterday, Minister Lupo (EC Dev) of Bolivia and Turinho (Mines/Energy) of Brazil signed an MOU to strengthen energy cooperation, giving the green light to a second gas pipeline. The MOU specifies Petrobras's role in expanding Brazil's natural gas imports, selling additional electricity, and developing the pipeline. Enron is extremely concerned over Petrobras's involvement in the agreement and fears that Petrobras will extend its monopoly over the second pipeline, limiting access and setting prices. According to the MOU, Bolivia will send a vice-ministerial team to Brazil next week to hammer out the negotiations. Enron has requested high-level DOE engagement with the Bolivians on this issue. Enron's spin is that this agreement will turn investors off natural gas development in Bolivia and power plants in Brazil. DOE alerted State and they are looking into the issue to get us more info. Enron is preparing a fact sheet.

Nicaragua- IA spoke with Pacific Geo-thermal and they will prepare a fact sheet on their project that we can send to the Embassy. Also talked to the Embassy about the meeting and told them that we will need input from them on the fact sheet.

Chad/Cameroon- Treasury has requested our assistance in reviewing US procedures for oil spill response plans. They have received contradictory information from Interior. Initial readout from the WB meeting is that some of the Dutch issues were addressed and there will be no further delay on the vote---June 6 is solid (for now).



2:1

From:

Pumphrey, David

Sent:

Friday, May 05, 2000 5:18 PM

To:

Singh, Eleanor, Lopez-Munoz, Annette; Alicia Porter, Calvin Humphrey; Darren Peters: DAVID GOLDWYN: David Jhirad: Emma Gilliard: John BRODMAN; Kate English; Leonard Coburn: Linda WHITTED; Matthew Willis; Robert PRICE; Steve SACKS; Teresa Beeman; Theresa Fariello; Andrea Lockwood; Carolyn Haylock; Debra Smith; Gary Ward; George PERSON:

Henry Santiago; Kathleen Deutsch; Michelle Billig; Russell Profozich; Thomas Sperl

Subject:

DAR IA-32 5/5/00

Nigeria - Spoke with Dundas McCullough (US Embassy Lagos). Enron was in-country and there appears to be some favorable movement on the barges for emergency power issue (based on local press and informal discussions with Lagos officials). He noted that it was a coordinated effort (Lagos/Federal). The Enron progress may help our efforts to keep the case study of the National Electric Power Authority (NEPA) on the agenda at the Joint Economic Partnership Commission (JEPC) Meeting (June 12-14). A meeting of the Energy Consultative Group before the JEPC could be overwhelming to the Nigerians, so after JEPC was suggested (recommend we target for either on the margins or after). Noted that DOE is planning to highlight the draft DOE/AID US-Nigeria Framework for Cooperation on Energy at the JEPC and recommended he coordinate with AID Director Hobgood before sharing details with the Nigerians, Also, Dundas will follow-up on the action cable regarding participation/host for the Oil Spill Workshop.

Attended JEPC INCEMeeting chaired by Cathy Burne (no Witney). Salient points were: dates approved by GON; there are four major elements Treasury Secretary Summers' presence, government-to-government, corporate, and agency sidebars; NEPA case study remains on the agenda and would likely involve DOE and AID; U/S Larsen will decide format for JEPC (panel/roundtable/speeches) and time allocation for various sessions after next week; agency delegation list will be requested next week; appears that a reception will be held on Sunday (June 11) to recognize Summers; and the question looms about what agency representation funds are available.

On the margins, raised with Burne concerns about coordinating energy-related activities by the World Bank. She acknowledged that the interagency process does not have a "good handle" and would explore what can be done. One thought she voiced was, yes, establishing working groups by sectors (e.g., energy, agriculture, etc.).

Prepared preliminary budget of proposed DOE-lead initiatives under the DOE/AID Energy Program and circulated draft Framework to IA-32 staff for initial comments. If appropriate, draft may be distributed at DOE Africa Team Meeting on Monday (Humphrey will chair).

Ghana - IA-32 staff met with EIA team scheduled to visit Accra week of May 15th. Topics included: coordinating with EE, US Embassy Accra, and AID Mission Director Frank Young; evaluating electricity issues; linking the Energy Commission and other Ghanaian entities with AID to strengthen interactions; and the compatibility of modeling activities with institutional capacity building efforts under the West Africa Gas Pipeline, such as market assessment and development.

HSEF - Met with Bruce Juba and Larry Harrington at the IDB U.S. Executive Director's Office to discuss next steps in setting up the HSEF. We will begin developing the overall policy framework for the Fund which will provide guidelines for the types of projects and the operation of the Fund. Talked to GC to get them started on the legal aspects of the documents.

Sub-Saharan Africa and Caribbean Basin Initiative Trade Bill: President Clinton welcomed U.S. House of Representatives passage vesterday. May 4, of the trade bill. The House, by a nearly 3 to 1 margin, approved a measure that would give more than 70 nations in Africa, Central America, and the Caribbean greater access to the U.S. market.

Mexico - Worked on preparing the Deputy Secretary for speech next week at the U.S. Mexico Chamber of Commerce. Also revised agenda for the BNC and prepared draft memo for S-2's participation in the BNC.

"Summer" Institute - Talked to Frank Stewart to link him with Professor Kunnie to discuss how to proceed to get the funding for the Sustainable Energy Institute in place.

From:

Goldwyn, David

Sent:

Thursday, March 23, 2000 10:25 AM

To:

Person, George; Fariello, Theresa; Pumphrey, David

Cc:

Willis, Matthew; Billig, Michelle

Subject:

RE: Draft Obasanio Ltr

Good start. No time to revise in detail. I would restructure just to say that S-1 has a plan or roadmap to get this deal close and power under way in 90-120 days. Suggestion is that Enron do x, y and z and Nigeria do x, y, and z. Then say DLG called in Enron and they will do it. Need your agreement, Mr. O to do your part. if so, let us know, DLG Enron and your rep meet week of (x) and then brief you.

FYI President O is out of country 4/2-7 and 4/15-19, we should plan accordingly.

-Original Message-From:

Person, George

Sent:

Thursday, March 23, 2000 10:10 AM

To:

Goldwyn, David; Fariello, Theresa; Pumphrey, David

Cc:

Willis, Matthew

Subject:

Draft Obasanio Ltr

Importance: High

As requested from the meeting yesterday with Enron, see attached draft letter.

After review, we will obtain GC and external clearances.

<< File: S10BASANJO.wpd >>

From:

Pumphrey, David

Sent:

Friday, March 24, 2000 6:04 PM

To:

Goldwyn, David; Fariello, Theresa; Bradley, Samuel; Willis, Matthew; Humphrey, Calvin; King,

Rachel

Cc: Subject: Person, George Latest Nigeria draft

Here is our latest draft of the Nigeria electricity letter. I heard form Enron and made a few modifications to reflect their information. On the six additional power barges - they are not willing to put them into other spots in the Nigeria which likely be in the Delta. Also they have not made any agreements with the Nigerian on the other 6 barges but are willing to make them available. Their position is that the poser from these barges can feed the full Nigerian grid - North and South. Locating them in Lagos does not mean that they serve that area only. They are willing to send a representative to Abuja when David would go. Additionally they answered the question on their partners - it is the Folawyo family of Lagos. As soon as we close on this draft we should be able to send to State and the NSC for clearance. Do we want to show Enron the portions that affect them directly?



From:

Pumphrey, David

Sent:

Tuesday, March 28, 2000 12:21 PM

To: Cc:

Goldwyn, David Person, George

Subject:

FW: Nigeria letter from Richardson to Obasanjo

Chris sent this answer in based on the phone call. The extra 180 MW may be parallel to the World Bank efforts to solicit vendors for generating units.

Are we willing to pay travel costs for an expert to go to Nigeria FE may be able to get a contractor but may want us to cover travel - as a Secretarial initiative should FE pay?

----Original Message----

From: Chris.Long@enron.com%INTERNET [mailto:Chris.Long@enron.com]

Sent: Tuesday, March 28, 2000 12:14 PM

Pumphrey, David

Subject:

Re: Nigeria letter from Richardson to Obasanjo

-----Porwarded by Chris Long/Corp/Enron on 03/28/2000 12:21 PM

Sean Long@ENRON DEVELOPMENT 03/27/2000 05:05 PM

Chris Long/Corp/Enron@ENRON

cc: Keith Sparks/ENRON DEVELOPMENTCENRON DEVELOPMENT, John Hardy/ENRON DEVELOPMENT@ENRON DEVELOPMENT, Habiba

Bayi/ENRON DEVELOPMENT@ENRON DEVELOPMENT, Joe

Hillings/Corp/Enron@ENRON, Lora Sullivan/Corp/Enron@ENRON, Edward J

Hlopak Sr/ENRON DEVELOPMENT@ENRON DEVELOPMENT

Re: Nigeria letter from Richardson to Obasanjo (Document link:

Chris Long)

The 180MW additional power would be phased in between 4 and 8 months with all 270MW generating within 8 months. It all depends on when the L?C is in place and how fast we can get the parts ordered and delivered. Converting to gas takes a little longer. The firrst 90MW can be inplace within 90-120 days.

In regards to spreading the barges around the country it would certainly add to our operating costs. Plus, I am uncomfortable asking our people to operate in the delta region which would be the other option for the barges outside of lagos state. I believe NEPA has a control system that could be used to distribute power. But essentially the here fact of us putting power in the grid will help to stabilize it for the whole grid. Ed Hlopak can you add to this? iean.

Sean Long/ENRON DEVELOPMENT@ENRON DEVELOPMENT, Keith 0: Sparks/ENRON DEVELOPMENT@ENRON DEVELOPMENT

John Hardy/ENRON DEVELOPMENT@ENRON DEVELOPMENT, Habiba c: Bayi/ENRON DEVELOPMENT@ENRON DEVELOPMENT, Joe Hillings/Corp/Enron@ENRON, Lora Sullivan/Corp/Enron@ENRON

Nigeria letter from Richardson to Obasanjo ubject:

DE is preparing a letter for Secretary Richardson to send to Obasanjo as a follow up to ichardson's recent visit to Nigeria. Richardson was asked by the Nigerian government to ssist with the chronic power shortages.

me letter would say the first step to solving the power shortage is to finalize the Enron These points would be made in the letter (actually wording different):

iron is committed to providing 90 MW of emergency power within 90-120 days after the LC

is issued. We also have learned that Enron is interested in providing an additional 180 MW of emergency power within ____ months. Enron will proceed on the emergency power without direct linkage to the IPP, but ultimately Enron does not want to renegotiate the IPP. Enron has also recently offered a lower price for the emergency power. Enron is willing to send a senior official to close the deal.

GON would be required to place one individual in charge of the process (Minister Bola Ige

being the unstated official) and move judiciously to issue the LC.

DOE would also like to address the North/South issue. I told DOE that Egbin was the ideal location for economic and technical reasons. DOE had inquired as to why we couldn't distribute barges along the coast and feed power into the grid this way. I told them it was not an infrastructure issue, but a power level problem. The grid is not broken, but it does not have enough power to run efficiently. DOE asked if Nigeria has power allocation/load management technology and could we use to diffuse the north-south argument.

Please answer these questions highlighted above and confirm accuracy of statement.

Chris

From:

Pumphrey, David

Sent:

Tuesday, March 28, 2000 12:33 PM

To: Cc: Goldwyn, David

Person, George

Subject:

RE: Nigeria letter from Richardson to Obasanjo

I'll check but I think that technical teams have all been AID contractors, except Russ on regulatory issues

—Original Message-

From: Goldwyn, David

Sent: Tuesday, March 28, 2000 12:32 PM

To: Cc: Pumphrey, David Person, George

Subject:

RE: Nigeria letter from Richardson to Obasanjo

Can't we get someone who has worked with us (i.e. the technical teams we sent out last year) who will not be starting from scratch?

I think we can pay, but nice if FE would pick up the tab.

I revised the letter and left it with Matt.

-Original Message

From:

Pumphrey, David

Sent:

Tuesday, March 28, 2000 12:21 PM

To: Goldwyn, David Cc: Person, George

Subject:

FW: Nigeria letter from Richardson to Obasanio

Chris sent this answer in based on the phone call. The extra 180 MW may be parallel to the World Bank efforts to solicit vendors for generating units.

Are we willing to pay travel costs for an expert to go to Nigeria. FE may be able to get a contractor but may want us to cover travel - as a Secretarial initiative should FE pay?

----Original Message--

From:

Chris.Long@enron.com%INTERNET [mailto:Chris.Long@enron.com] <mailto:

[mailto:Chris.Long@enron.com]>

Sent:

Tuesday, March 28, 2000 12:14 PM

To: Pumphrey, David

Subject: Re: Nigeria letter from Richardson to Obasanjo

Forwarded by Chris Long/Corp/Enron on 03/28/2000 12:21 PM -----

Sean Long@ENRON DEVELOPMENT

03/27/2000 05:05 PM

To: Chris Long/Corp/Enron@ENRON

cc: Keith Sparks/ENRON DEVELOPMENT@ENRON DEVELOPMENT, John

Hardy/ENRON DEVELOPMENT@ENRON DEVELOPMENT, Habiba

Bayi/ENRON DEVELOPMENT@ENRON DEVELOPMENT, Joe

Hillings/Corp/Enron@ENRON, Lora Sullivan/Corp/Enron@ENRON, Edward J

HIODAK ST/ENRON DEVELOPMENT@ENRON DEVELOPMENT

Subject: Re: Nigeria letter from Richardson to Obasanio (Document link:

Chris Long)

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cc: John Hardy/ENRON DEVELOPMENT Bayi/ENRON DEVELOPMENT Habiba

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Hillings/Corp/Enron@ENRON, Lora Sullivan/Corp/Enron@ENRON

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Please answer these questions highlighted above and confirm accuracy of statement.

Chris

From:

Pumphrey, David

Sent: To:

Tuesday, March 28, 2000 1:28 PM Goldwyn, David: Person, George

Subject:

FW: Nigeria letter from Richardson to Obasanio

Importance:

High

Enron's supporting evidence that the whole grid is served

---Original Message----

From: Chris.Long@enron.com%INTERNET [mailto:Chris,Long@enron.com] < mailto:

[mailto:Chris.Long@enron.com]>

Tuesday, March 28, 2000 1:07 PM Pumphrey, David

To: Subject:

Re: Nigeria letter from Richardson to Obasanjo

Importance:

Please treat this as Business Confidential. I think this is the answer we have been searching for. Please get this to David

Goldwyn.

Thanks - Chris

Forwarded by Chris Long/Corp/Enron on 03/28/2000 01:10 PM -

Edward J Hlopak Sr@ENRON DEVELOPMENT

03/28/2000 01:49 PM

To:

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CC:

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03/27/2000 04:05 PM

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HIOPAK ST/ENRON DEVELOPMENT@ENRON DEVELOPMENT

Subject:

Re: Nigeria letter from Richardson to Obasanjo (Document link: Edward J Hlopak Sr)

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John Hardy/ENRON DEVELOPMENT@ENRON DEVELOPMENT, Habiba 3: Bayi/ENRON DEVELOPMENT@ENRON DEVELOPMENT, Joe Hillings/Corp/Enron@ENRON, Lora Sullivan/Corp/Enron@ENRON



Subject

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From:

Goldwyn, David

Sent:

Tuesday, March 28, 2000 1:39 PM

To:

Pumphrey, David; Person, George

Subject:

RE: Nigeria letter from Richardson to Obasanjo

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Importance: High

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To: Pumphrey, David

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Importance:

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03/28/2000 01:49 PM

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03/27/2000 04:05 PM

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Subject: Re: Nigeria letter from Richardson to Obasanjo (Document link: Edward J Hlopak Sr)

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Chris

From:

Pumphrey, David

Sent:

Tuesday, March 28, 2000 4:43 PM

To: Cc: Como, Anthony Person, George

Subject:

FW: Nigeria letter from Richardson to Obasanjo

Thanks for looking at this. You know it is a slippery slope now to participation as an "expert". When talking to Parsons - be careful to protect Enron.

----Original Message----

From: Santiago, Henry

Sent: Tuesday, March 28, 2000 4:41 PM

To: Pumphrey, David

Subject: FW: Nigeria letter from Richardson to Obasanjo

----Original Message----

From: Como, Anthony

Sent: Tuesday, March 28, 2000 4:23 PM

To: Santiago, Henry

Subject: RE: Nigeria letter from Richardson to Obasanjo

I'm trying to get an electric system map for Nigeria so I can better interpret Enron's results. However, Bill Freeman tells me that someone from Parsons Engineering (they're under contract to Fossil Energy) has done some study of the Nigerian system. I'm trying to track him down.

Based on the layout that I can infer from Enron's e:mail, it appears reasonable that injection of generation into the Lagos State would serve to "unload" that portion of the system and result in a re-distribution of power along the paths of least resistence to the rest of the grid. That WOULD essentially provide benefits to the whole country even though the capacity was added and "absorbed" in the Lagos State.

If you could wait until tomorrow for a more educated guess/answer, I should be able to either get a copy of a Nigerian electric system map and/or talk to this Parsons employee.

----Original Message----

From: Santiago, Henry

Sent: Tuesday, March 28, 2000 3:05 PM

To: Como, Anthony

Subject: FW: Niger

FW: Nigeria letter from Richardson to Obasanjo

Tony:

your expertise is requested to answer Goldwyn's question below. My read of the Enron analysis (which is Business Confidential) is that the Barge produced electricity woul help Lagos directly but also help endusers outside the Lagos area through displacement.

----Original Message----

From: Pumphrey, David

Sent: Tuesday, March 28, 2000 2:37 PM

To: Santiago, Henry

Subject: FW: Nigeria letter from Richardson to Obasanjo.

Hank, do you think that Tony could take a look at this for us to answer David's questions?

----Original Message----

From: Goldwyn, David

Sent: Tuesday, March 28, 2000 1:39 PM To: Pumphrey, David; Person, George

Subject: RE: Nigeria letter from Richardson to Obasanjo

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Importance: High

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being the unstated official) and move judiciously to issue the LC.

DOE would also like to address the North/South issue. I told DOE that Egbin was the ideal location for economic and technical reasons. DOE had inquired as to why we couldn't

location for economic and technical reasons. DOE had inquired as to why we couldn't distribute barges along the coast and feed power into the grid this way. I told them it was not an infrastructure issue, but a power level problem. The grid is not broken, but it does not have enough power to run efficiently. DOE asked if Nigeria has power allocation/load management technology and could we use to diffuse the north-south argument.

Please answer these questions highlighted above and confirm accuracy of statement.

* Chris



From:

Pumphrey, David

Sent:

Wednesday, March 29, 2000 9:26 AM

To:

Humphrey, Calvin, Goldwyn, David

Cc: Subject: Willis, Matthew, Fariello, Theresa, Person, George, Santiago, Henry RE: DAR - 3/27/00 - IA-32

That would be useful - we should make sure that we keep the contact with the AID funders as well.

-Original Message--

From: Humphrey, Calvin

Sent: Wednesday, March 29, 2000 9:11 AM To: Pumphrey, David: Goldwyn, David

Cc:

Willis, Matthew; Fariello, Theresa; Person, George; Santiago, Henry

Subject:

RE: DAR -- 3/27/00 -- IA-32

Don't know if it would be too late, but I'm scheduled to see Russ for lunch on Monday, if it works maybe we could have a sit down with him then?

-Original Message

From:

Pumphrey, David

Sent:

Tuesday, March 28, 2000 8:56 AM

To: Goldwyn, David

Cc: Willis, Matthew, Fariello, Theresa; Humphrey, Calvin; Person, George; Santiago, Henry

RE: DAR - 3/27/00 - IA-32

We're checking on the information. Have done outreach to BPA and searching for others. Timing is one issue. Money will be the next one. Talked to Russ about the grid aspect - don't think he really knows. We will probably have to check in the field - some of the WB's engineers or AID's may know.

----Original Message----

From:

Goldwyn, David

Sent:

Tuesday, March 28, 2000 7:29 AM

To: Pumphrey, David

Cc: Willis, Matthew; Fariello, Theresa; Humphrey, Calvin

RE: DAR -- 3/27/00 -- IA-32

Let's try to see both groups. See if Lagos confirms the change in Bola's portfolio. Should we modulate our letter to account for these other possibilities? Can we look into a Bonneville or other person to come along and look at viable emergency power options? Does Russ know whether adding more power to the grid from Egbin will actually allow Nigeria to divert more power to the North --or is their grid too unreliable to manage its load that way?

-Original Message

From:

Pumphrey, David

Sent:

Monday, March 27, 2000 6:35 PM

To:

Alicia Porter, Calvin Humphrey; Darren Peters; DAVID GOLDWYN; David Jhirad; Ernma Gilliard; John BRODMAN; Kate English; Leonard Coburn; Linda WHITTED; Matthew Willis; Robert PRICE; Steve SACKS; Teresa Beeman; Theresa Fariello; Andrea Lockwood; Carolyn Haylock; Debra Smith; Gary Ward; George PERSON; Henry Santiago; Kathleen Deutsch; Michelle Billig; Russell Profozich;

Thomas Sperl

Subject:

DAR - 3/27/00 - IA-32

Nigeria - Spoke with Mark Tomlinson of the World Bank about their Nigeria activites. (The Bank has been asked by Obasanjo to help them procure generators to ease the electricity crisis situation. The is helping design a procurement and bidding process for 450 MW of emergency power. They hope to be able to start advertising in April and give vendors 3-4 weeks to respond. K&M Engineering has been looking at possible sites for generators, all of which would be at existing power plants. One of their concerns is to make sure that a transparent process is put in place. On Enron he said that the Bank is standing back and considers it a commercial decision. Tomlinson saw the head of the Bureau of Public Enterprises, Nasia al Rafia, last week who told him that Bola Ige is now the Minister of Steel only. The Power side of the portfolio is being covered by the Board set up to manage NEPA. We will check this. Russ Profozich said that AID is also preparing to work on the crisis situation as well. He is going to Nigeria with Rolf Andersen on the 6th of April. It would probably be good to meet with both groups this week to get ready for David's trip.

Mexico - Memo to TJ for the Electricity Trade Symposium has been completed and is coming up.

From:

Pumphrey, David

Sent:

Wednesday, March 29, 2000 2:06 PM

To:

Person, George

Subject:

FW: Draft Cable for Nigeria

As I read this - You're the man.

—Original Message-From: King, Rachel

Sent: Wednesday, March 29, 2000 1:33 PM

Goldwyn, David; Person, George; Pumphrey, David; Brodman, John; Humphrey, Galvin; Willis, Matthew;

Jagessar, Camille

Subject:

RE: Draft Cable for Nigeria

fine. O letter is key priority.

--Original Message-

From:

Goldwyn, David

Sent:

Wednesday, March 29, 2000 1:31 PM

To:

Person, George; Pumphrey, David; Brodman, John; Humphrey, Calvin; Willis, Matthew; King, Rachel; Jagessar, Camille

Subject:

RE: Draft Cable for Nigeria

Note S-1 letter coming to Obasanjo.

Ask for DLG meeting with Obasanjo at tail end of trip (to report).

Indicate trip contingent on positive response to S-1 letter (appointing a rep).

Indicate we expect, if response to S-1 letter is positive, that Enron will be in town and that DLG will want to observe Enron meetings with Nigeria's electricity honcho if acceptable to both sides.

All this said, George, is next week realistic? Embassy thought it somewhat doubtful Obasanjo would react very quickly.

Rachel -- I think we are better off waiting for a positive response effort before heading, even if it delays the trip. No point in going unless he agrees to the roadmap. No point in sending Enron unless Nigerians agree to see them. ÆYI AID is sending a team over on power next week, George could accompany them as interim "DOE response" before I go. What do you think?

—Original Message-

From: Person, George

Wednesday, March 29, 2000 11:31 AM Sent:

Pumphrey, David; Brodman, John; Humphrey, Calvin; Willis, Matthew; Goldwyn, David; King, Rachel; Jagessar, Camille

Subject: FW: Draft Cable for Nigeria

Importance:

High

Pls provide clearance on the attached, which was reviewed by Dave P.

Camille,

Your assistance with funding citation would be appreciated.

Thanks.

George

<< File: NIGERIADG.doc >>

From: Sent:

Goldwyn, David

Thursday, March 30, 2000 11:01 AM

To:

Person, George: Pumphrey, David; King, Rachel

Subject:

RE: Rewrite of Draft Cable

Sensitivity:

Confidential

I see. I worried a bit about going overboard with Enron as well. I think we toned it down some. But I'll call them.

-Original Message-

From:

Person, George

Sent: To:

Thursday, March 30, 2000 10:59 AM

Pumphrey, David; Goldwyn, David; King, Rachel

Subject:

RE: Rewrite of Draft Cable

Sensitivity:

Confidential

Dave G.,

In the rank and file, there have been some rumblings about the degree of advocacy for Enron, extensive details in the Itr, and the short notice. Also, there's the lack of a formal response from the Embassy on the earlier draft itr. All have left me with a feeling of less than full support.

George

-Original Message-

From: Pumphrey, David

Sent:

Thursday, March 30, 2000 8:33 AM

Goldwyn, David; Person, George; King, Rachel Subject: RE: Rewrite of Draft Cable

Sensitivity:

Confidential

We have copy of cable.

-Original Message-

From: Goldwyn, David

Thursday, March 30, 2000 8:27 AM

Person, George; Pumphrey, David; King, Rachel To:

Subject:

RE: Rewrite of Draft Cable

Sensitivity:

Confidential

Which differences in approach do you mean? Twaddell, Serpa and Dundas were all fine with the approach proposed. They are fussy about how fast we'll here, noting that SECDEF Cohen is in town this weekend so the GON may be distracted and get back to us in time.

They applauded our proposed roadmap. Did you hear something different?

Original Message-

From:

Person, George

Sent:

Thursday, March 30, 2000 8:21 AM

To:

Goldwyn, David; Pumphrey, David; King, Rachel

Subject:

RE: Rewrite of Draft Cable

Importance:

High

Sensitivity: Confidential

Cable went at 002600 (Zulu) and is numbered State 59723. Requested a copy be faxed.

Country clearance cable revised to include request for confirmation of positive GON response by 1:00 pm Monday, and to note that DOE team is prepared to "stand down" absent such. Will get fiscal data (requested by Desk) and get it out soonest.

Recommendations:

Dave G.

A call to Susan Rice noting appreciation would be appropriate (she pushed the cable dispatch).

A call to Ambassador Twaddell to air differences in approach, to promote unified USG "front" to the Nigerians, and to gain "fullest" Embassy support, which will be critical to achieving maximum success.

Dave P.

A call to S. P. Wilkinson (Office Director) noting Desk Officer Portia McCollum's commendable efforts would be nice.

George

<< File: NIGERIADG.doc >>

-Original Message-

From: Goldwyn, David

Sent:

Thursday, March 30, 2000 7:54 AM

To:

Pumphrey, David; Person, George; King, Rachel

Subject:

RE: Rewrite of Draft Cable

Did they?

---Original Message

From:

Pumphrey, David

Sent:

Wednesday, March 29, 2000 6:27 PM

To:

Goldwyn, David; Person, George; King, Rachel

Subject:

RE: Rewrite of Draft Cable

State has committed to get the cable with the letter out tonight. Will get them the revised country clearance in the morning.

---Original Message----

From:

Goldwyn, David

Sent:

Wednesday, March 29, 2000 6:08 PM To: Person, George; Pumphrey, David; King, Rachel

Subject:

RE: Rewrite of Draft Cable

We should say somewhere that if we do not receive a positive reply from the GON by OOB Monday Washington time, we would postpone travel until they do reply.

-Original Message-

From:

Person, George

Sent:

Wednesday, March 29, 2000 5:44 PM

To:

Pumphrey, David; Goldwyn, David; King, Rachel

Subject:

FW: Rewrite of Draft Cable

Revised country clearance cable.

<< File: NIGERIADG.doc >>

From:

Goldwyn, David

Sent:

Thursday, March 30, 2000 11:11 AM

To:

Person, George; Pumphrey, David; King, Rachel

Subject:

RE: Rewrite of Draft Cable

Sensitivity:

Confidential

Tomlinson of WB is out today.

Let's id someone from one of our power authorities who could come to Nigeria.

We can pay if we have to.

I will also need to some background on what we have under way, what advice we gave the Nigerians on our trips last year and the key excerpts from the reports that were done.

We will need to identify the key questions or areas to review with the powers that be.

We also need to - more than the above - to focus on what we want to come out of our discussions, presumable agreement of the key needs, the most efficient means of generating power, an answer on whether bolstering the grid from one location can serve the North as well as the South and some agreement on whether there are any distributed generation alternatives that can serve the needs of the Nigerians.

If buying US generators is the answer, is there anything Ex. IM, TDA, Commerce or OPIC can do to help?

Also – who has the lead at AID for their team? Is this in the regional or Global office. I want to call someone today to thank them for taking you along. George, and also to talk about what to do.

-Original Message-

From:

Person, George

Sent:

Thursday, March 30, 2000 10:59 AM

To:

Pumphrey, David; Goldwyn, David; King, Rachel

Subject:

RE: Rewrite of Draft Cable

Sensitivity: Confidential

Dave G.,

In the rank and file, there have been some rumblings about the degree of advocacy for Enron, extensive details in the Itr, and the short notice. Also, there's the lack of a formal response from the Embassy on the earlier draft Itr. All have left me with a feeling of less than full support.

George

-Original Message-

From: Sent:

Pumphrey, David Thursday, March 30, 2000 8:33 AM

Goldwyn, David; Person, George; King, Rachel

Subject: RE: Rewrite of Draft Cable

Sensitivity:

Confidential

We have copy of cable.

----Original Message-

From: Goldwyn, David

Sent: Thursday, March 30, 2000 8:27 AM

To:

Person, George; Pumphrey, David; King, Rachel

Subject:

RE: Rewrite of Draft Cable

Sensitivity:

Confidential

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Original Message

From:

Person, George

Sent:

Thursday, March 30, 2000 8:21 AM

To:

Goldwyn, David; Pumphrey, David; King, Rachel

Subject:

RE: Rewrite of Draft Cable

Importance:

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Sensitivity: Confidential

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A call to Ambassador Twaddell to air differences in approach, to promote unified USG "front" to the Nigerians, and to gain "fullest" Embassy support, which will be critical to achieving maximum success.

Dave P.

A call to S. P. Wilkinson (Office Director) noting Desk Officer Portia McCollum's commendable efforts would be nice.

George

<< File: NIGERIADG.doc >>

-Original Message-

From:

Goldwyn, David

Sent:

Thursday, March 30, 2000 7:54 AM

To:

Pumphrey, David, Person, George; King, Rachel

Subject:

RE: Rewrite of Draft Cable

Did they?

---Original Message

From:

Pumphrey, David

Sent:

Wednesday, March 29, 2000 6:27 PM

To:

Goldwyn, David; Person, George; King, Rachel

Subject: RE: Rewrite of Draft Cable

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-Original Message--

From:

Goldwyn, David

Sent:

Wednesday, March 29, 2000 6:08 PM

To: Person, George; Pumphrey, David; King, Rachel

Subject:

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We should say somewhere that if we do not receive a positive reply from the GON by OOB Monday Washington time, we would postpone travel until they do reply.

-Original Message

From:

Person, George

Sent:

Wednesday, March 29, 2000 5:44 PM

To:

Pumphrey, David; Goldwyn, David; King, Rachel

Subject:

FW: Rewrite of Draft Cable

Revised country clearance cable.

<< File: NIGERIADG.doc >>



From:

Pumphrey, David

Sent:

Thursday, March 30, 2000 12:13 PM

To:

Person, George

Subject:

RE: Rewrite of Draft Cable

Sensitivity:

Confidential

Good answer.

----Original Message----From: Person, George

Sent: Thursday, March 30, 2000 10:59 AM

To:

Pumphrey, David; Goldwyn, David; King, Rachel

Subject:

RE: Rewrite of Draft Cable

Sensitivity:

Confidential

Dave G.,

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George .

----Original Message-

From: Pumphrey, David

Sent: Thursday, March 30, 2000 8:33 AM
To: Goldwyn, David; Person, George; King, Rachel
Subject: RE: Rewrite of Draft Cable

Sensitivity:

RE: Rewrite of Draft Cable Confidential

We have copy of cable.

----Original Message----

From:

Goldwyn, David

Sent:

Thursday, March 30, 2000 8:27 AM

To: Person, George; Pumphrey, David; King, Rachel

Subject:

RE: Rewrite of Draft Cable

Sensitivity: Confidential

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---Original Message----

From:

Person, George

Sent:

Thursday, March 30, 2000 8:21 AM

To: Subject: Goldwyn, David; Pumphrey, David; King, Rachel RE: Rewrite of Draft Cable

Importance:

High

Sopeitivity:

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Dave P.

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<< File: NIGERIADG.doc >>

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Goldwyn, David

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Thursday, March 30, 2000 7:54 AM

To:

Pumphrey, David; Person, George; King, Rachel

Subject:

RE: Rewrite of Draft Cable

Did they?

-Original Message

From:

Pumphrey, David Wednesday, March 29, 2000 6:27 PM

Sent: To:

Goldwyn, David; Person, George; King, Rachel

Subject:

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Sent:

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To:

Pumphrey, David, Goldwyn, David, King, Rachel

Subject:

FW: Rewrite of Draft Cable

Revised country clearance cable.

<< File: NIGERIADG.doc >>

From:

Pumphrey, David

Sent:

Thursday, March 30, 2000 2:13 PM

To:

Goldwyn, David; Person, George; King, Rachel; Fariello, Theresa

Subject:

RE: Rewrite of Draft Cable

Sensitivity:

Confidential

For the AID question - you should call David Hales. His office has responsibility. The officer is Rolf Andersen.

-Original Message-From: Goldwyn, David

Thursday, March 30, 2000 11:11 AM

Person, George; Pumphrey, David; King, Rachel

Subject:

RE: Rewrite of Draft Cable

Sensitivity:

Confidential

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Sensitivity:

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Goldwyn, David; Person, George; King, Rachel

Subject:

RE: Rewrite of Draft Cable

Sensitivity:

Confidential

We have copy of cable.

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Thursday, March 30, 2000 8:27 AM

Person, George; Pumphrey, David; King, Rachel To:

RE: Rewrite of Draft Cable Subject:

Sensitivity: Confidential

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-Original Message

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To:

Goldwyn, David; Pumphrey, David; King, Rachel

Subject:

RE: Rewrite of Draft Cable

Importance: Sensitivity:

High

Confidential

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Dave P.

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George

<< File: NIGERIADG.doc >>

Original Message

From:

Goldwyn, David

Sent: To:

Thursday, March 30, 2000 7:54 AM

Pumphrey, David; Person, George; King, Rachel

Subject:

RE: Rewrite of Draft Cable

Did they?

Original Message

From:

Pumphrey, David

Sent:

Wednesday, March 29, 2000 6:27 PM

To:

Goldwyn, David; Person, George; King, Rachel

Subject:

RE: Rewrite of Draft Cable

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-Original Message----

From:

Goldwyn, David

From:

Goldwyn, David

Sent:

Friday, March 31, 2000 7:48 AM

To:

Person, George; Jodoin, Peter, Price, Robert S; Pumphrey, David; Fariello, Theresa;

Humphrey, Calvin

Cc:

Willis, Matthew

Subject:

RE: Travel Authorization (Nigeria)

Nigeria team -

I'll call Lagos this am. If we go I will need a summary of what the AID, OTI and WB teams are up to.

My pitch to Obasanjo should lay out, fairly succinctly, what the USG writ large is doing to have with short term power needs, how soon we will have plan, how it can enable the WB to help with financing.

We can characterize ourselves as providing technical assistance to this effort.

We should also make contact with CCA, Chevron etc to see what commercial issues I should raise with Bola, NEPA etc.

I also expect to hear from Bob Armstrong's people. If they have generators to sell, what can I say about the AID/WB plan to help Nigeria evaluate these bids in a competitive, transparent way?

Finally on Enron, can you all chat with AID and the WB to understand if (and why) they think that the barge deal is not a good deal for Nigeria? with the de-linkage from IPP that should allay their concerns. if they have other concerns I should know them before we facilitate closure on that deal.

----Original Message---

From:

Person, George

Sent:

Friday, March 31, 2000 6:51 AM

To: Cc: Jodoin, Peter; Price, Robert S; Pumphrey, David; Fariello, Theresa; Humphrey, Calvin; Goldwyn, David Jagessar, Camille; Sperl, Thomas; Willis, Matthew

CC. Jayessa

Subject: Travel Authorization (Nigeria)

Subject TA (CR010540) routed under previous approval chain to Peter Jodoin & Bob Price.

Justification for the foreign travel is attached.

Tom.

Pls prepare the foreign travel form and track the progress. If necessary, I could enter the electronic info around noon, after meetings this morning.

Thanks.

George

<< File: NIGERIAJUST.wpd >>

reladi



From:

Goldwyn, David

Sent:

Friday, March 31, 2000 7:58 AM

To:

Person, George, Pumphrey, David, Fariello, Theresa, Humphrey, Calvin

Cc:

Willis, Matthew

Subject:

RE: Travel Authorization (Nigeria)

I'm trying the Ambo but not getting through.

From:

-Original Message-Person, George

Sent:

Friday, March 31, 2000 7:56 AM

To:

Goldwyn, David; Pumphrey, David, Fariello, Theresa; Humphrey, Calvin

Cc:

Willis, Matthew

Subject:

RE: Travel Authorization (Nigeria)

I was unsuccessful in getting Dundas McCullough (ringing phone) this am.

Will address your points w/Dave P. and other team members.

-Original Message

From:

Goldwyn, David

Sent:

Friday, March 31, 2000 7:48 AM

To:

Person, George: Jodoin, Peter, Price, Robert S: Pumphrey, David: Fariello, Theresa: Humphrey, Calvin

Cc: Willis, Matthew

Subject: RE: Travel Authorization (Nigeria)

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-Original Message

From:

Person, George

Sent:

Friday, March 31, 2000 6:51 AM

To: Jodoin, Peter; Price, Robert S; Pumphrey, David; Fariello, Theresa; Humphrey, Calvin; Goldwyn, David

Cc: Jagessar, Camille; Sperl, Thomas; Willis, Matthew

Subject:

Travel Authorization (Nigeria)

Subject TA (CR010540) routed under previous approval chain to Peter Jodoin & Bob Price.

Justification for the foreign travel is attached.

Tom,

Pls prepare the foreign travel form and track the progress. If necessary, I could enter the electronic info around noon, after meetings this morning.

Thanks.

George

<< File: NIGERIAJUST.wpd >>

From:

Pumphrey, David

Sent:

Friday, May 05, 2000 5:00 PM

To: Subject:

Person, George RE: DAR Insert

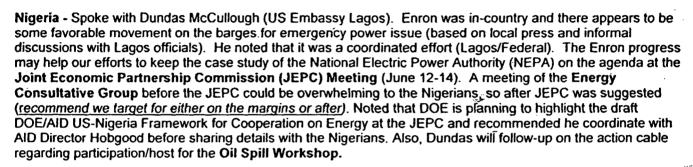
What a busy guy you've been. Good reports.

---Original Message---From: Person, George

Sent: Friday, May 05, 2000 4:47 PM

Subject:

Pumphrey, David t: DAR Insert



Attended JEPC IWG Meeting chaired by Cathy Burne (no Witney). Salient points were: dates approved by GON; there are four major elements - Treasury Secretary Summers' presence, government-to-government, corporate, and agency sidebars; NEPA case study remains on the agenda and would likely involve DOE and AID; U/S Larsen will decide format for JEPC (panel/roundtable/speeches) and time allocation for various sessions later next week; agency delegation list will be requested next week; appears that a reception will be held on Sunday (June 11) to-recognize Summers; and the *question looms* about what agency representation funds are available.

On the margins, raised with Burne concerns about coordinating energy-related activities by the World Bank. She acknowledged that the interagency process does not have a "good handle" and would explore what can be done. One thought she voiced was, yes, establishing working groups by sectors (e.g., energy, agriculture, etc.).

Prepared preliminary budget of proposed DOE-lead initiatives under the **DOE/AID Energy Program** and circulated draft Framework to IA-32 staff for initial comments. If appropriate, draft may be distributed at DOE Africa Team Meeting on Monday (Humphrey will chair).

Ghana - IA-32 staff met with EIA team scheduled to visit Accra week of May 15th. Topics included: coordinating with EE, US Embassy Accra, and AID Mission Director Frank Young; evaluating electricity issues; linking the Energy Commission and other Ghanaian entities with AID to strengthen interactions; and the compatibility of modeling activities with institutional capacity building efforts under the West Africa Gas Pipeline, such as market assessment and development.

From:

Goldwyn, David

Sent:

Friday, June 30, 2000 2:18 PM

To:

Person, George

Cc:

Fariello, Theresa; Willis, Matthew; Pumphrey, David

Subject:

RE: Completed Enron Deal (Nigeria)

Good news. Who is the purchaser? Lagos state or NEPA?

Do we know?

And thanks for the heads up, Enron

I suppose the five year term addresses Refai's concerns about impeding a potential NEF

--Original Message-

From:

Person, George

Sent:

Friday, June 30, 2000 2:04 PM

To:

Goldwyn, David; Humphrey, Calvin; Fariello, Theresa; King, Rachel; Santiago, Henry

Cc:

Pumphrey, David; Lockwood, Andrea; Billig, Michelle; Sperl, Thomas; Willis, Matthew; Gilliard, Emma; Berger, Daniel; Sacks,

Subject:

Completed Enron Deal (Nigeria)

Importance: High

Great advocacy news out of Abuja, courtesy of State Dept:

June 30, 2000

The Enron Corporation and Nigerian authorities have completed their negotiations and signed an updated 5-year \$147M power purchase agreement. Under the new terms, Enron will provide 270MW of emergency power and can re-negotiate for a new 5-year contract contingent upon the success of and at the conclusion of the current contract.

From:

Pumphrey, David

Sent:

Friday, June 30, 2000 2:49 PM

To:

Person, George

Subject:

RE: Completed Enron Deal (Nigeria)

Won one - I guess.

----Original Message-From: Person, George

Sent: Friday, June 30, 2000 2:04 PM

To:

Goldwyn, David; Humphrey, Calvin; Fariello, Theresa; King, Rachel; Santiago, Henry

Cc:

Pumphrey, David; Lockwood, Andrea; Billig, Michelle; Sperl, Thomas; Willis, Matthew; Gilliard, Emma;

Berger, Daniel; Sacks, Steve

Subject:

Completed Enron Deal (Nigeria)

importance:

High

. Great advocacy news out of Abuja, courtesy of State Dept:

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The Enron Corporation and Nigerian authorities have completed their negotiations and signed an updated 5-year \$147M power purchase agreement. Under the new terms, Enron will provide 270MW of emergency power and can re-negotiate for a new 5-year contract contingent upon the success of and at the conclusion of the current contract.

From:

Sperl, Thomas

Sent:

Monday, July 03, 2000 8:58 AM

To:

Person, George; Lockwood, Andrea

Cc:

Berger, Daniel

Subject:

RE: Completed Enron Deal (Nigeria)

Copyright 2000 British Broadcasting Corporation BBC Monitoring Africa - Economic Supplied by BBC Worldwide Monitoring

June 30, 2000, Friday

LENGTH: 125 words

HEADLINE: Nigeria: Lagos State signs documents to start power project with US energy firm

and also

Copyright 2000 Agence France Presse Agence France Presse

June 30, 2000, Friday

SECTION: International news

LENGTH: 309 words

HEADLINE: Nigeria signs new agreement to boost power in Lagos

DATELINE: LAGOS, June 30

BODY:

The Nigerian government has signed a multi-million dollar agreement with US engineering firm Enron to boost power supplies in the economic capital, Lagos, officials said Friday.

The deal was signed this week by government and Enron officials, watched by officials from Lagos State government, Lagos State spokesman Lateef Odusanya said.

"We have signed all the necessary documents with ENRON and the federal government has given the go-ahead," Odusanya said.

-Original Message-

From:

Person, George

Sent:

Monday, July 03, 2000 8:14 AM

To: Cc: Lockwood, Andrea

Subject:

Sperl, Thomas; Berger, Daniel

: FW: Completed Enron Deal (Nigeria)

Good morning,

Would you cover the points raised below in the Enron paper? Michelle noted there was an article in the New York Times. Thanks.

---Original Message-

From: Goldwyn, David

Sent: Friday, June 30, 2000 2:18 PM

To: Person, George

Fariello, Theresa; Willis, Matthew; Pumphrey, David

Subject: RE: Completed Enron Deal (Nigeria)

Good news. Who is the purchaser? Lagos state or NEPA?

Do we know?

Cc:

And thanks for the heads up, Enron....

I suppose the five year term addresses Refai's concerns about impeding a potential NEPA sale.

-Original Message-Person, George

From:

Friday, June 30, 2000 2:04 PM Sent:

Goldwyn, David, Humphrey, Calvin; Fariello, Theresa; King, Rachel; Santiago, Henry To:

Cc: Pumphrey, David; Lockwood, Andrea; Billig, Michelle; Sperl, Thomas; Willis, Matthew, Gittad, Emma; Berger, Daniel; Sacks,

Steve

Subject: Completed Enron Deal (Nigeria)

Importance:

High

Great advocacy news out of Abuja, courtesy of State Dept:

June 30, 2000

The Enron Corporation and Nigerian authorities have completed their negotiations and signed an updated 5-year \$147M power purchase agreement. Under the new terms, Enron will provide 270MW of emergency power and can re-negotiate for a new 5-year contract contingent upon the success of and at the conclusion of the current contract.

From:

Jodoin, Peter

Sent:

Monday, July 03, 2000 12:23 PM

To:

DL-IA-4.1

Cc:

Pumphrey, David

Subject:

FW: Update Memo for the Secretary

Since I have been out of the office during the past two weeks, I am slightly at a lost as to what if anything our office has been involved in that might be of interest to the Secretary. Could you please take a moment to think about the request and provide to be me by noon on Wednesday 7/5, with items of interest (to be followed by a paragraph to me by 11:00 on Friday 7/7)

Thanks

Peter

---Original Message----

From:

Pumphrey, David

Sent:

Monday, July 03, 2000 11:06 AM

To: Cc: Jodoin, Peter Willis, Matthew

Subject:

FW: Update Memo for the Secretary

Might be useful to get anything the S&T office has on the list. Got anything you would like to update the Secretary on?

----Original Message---From: Willis. Matthew

Sent: Monday, July 03, 2000 11:04 AM

Sent: Wonday, July 03, 2000 11.04 AW

To: Price, Robert S; Coburn, Leonard; Santiago, Henry

Cc: Fariello, Theresa, Pumphrey, David
Subject: Update Memo for the Secretary

David wants to compile an update memo on our international activities for the Secretary's return next Monday. Please task your offices for a paragraph on each of the following items. Due noon on Friday (7/7). Thanks.

Bob

Bangladesh - USGS, etc

China - Ernie's trip

India - Scoping mission, etc.

Philippines - 7/10 experts visit, status of Omnibus legislation

<u>Len</u>

Russia - plans for proposed trip, DLG potential trip with Jan

Iraq - IWG review

Hank

Bolivia - Announcement, \$, industry visit

Brazil - TF visit, renewing energy cooperation, Petrobras problems

Nigeria - DLG visit, Enron signing (particularly DOE advocacy)

Venezuela - Last week's mtg, October Goldwyn-Alvarez Meeting

From:

Goldwyn, David

Sent:

Wednesday, July 05, 2000 7:48 AM

To:

Person, George

Cc:

Santiago, Henry, Fariello, Theresa: Humphrey, Calvin; Pumphrey, David; Sperl, Thomas:

Lockwood, Andrea

Subject:

RE: Books

Better on electricity. Do we know how many MW the Enron deal is? Also prompt me for questions on any other short term emergency power plans.

-Original Message-

From:

Person, George

Sent:

Monday, July 03, 2000 5:31 PM

To:

Goldwyn, David

Cc:

Santiago, Henry; Fariello, Theresa; Humphrey, Calvin; Pumphrey, David; Sperl, Thomas; Lockwood, Andrea

Subject:

RE: Books Importance: High

Will fix bilateral papers.

On the script, pls see the Electricity Sector to indicate whether we are on target or at least closer. Will be here until 6.

Then, will take home to continue the effort. Can email or receive comments from home via wife's email address 6)6

George Person

<< File: SUKIPTECGMTG2.doc >>

---Original Message-From:

Goldwyn, David

Sent:

Monday, July 03, 2000 4:36 PM

Person, George To: Subject: RE: Books

Useful to have headers in the TPs so I can navigate through them.

Need to raise hiring of NEPA vice foreign contractors for rehab work.

Need to ask Rufai about his roadmap for commercialization privatization. Also about an independent regulator. Where does he see this fitting in.

Need a briefer for NNPC -- Mobil deal, commercialization of NNPC, plans for refinery, separation of marketing.

--Original Message-

From:

Person, George

Sent:

Monday, July 03, 2000 1:21 PM

To: Washington, Melodie

Cc: Goldwyn, David Subject:

FW: Books

importance:

High

Melodie.

Pls print for David. Thanks.

--Original Message

From:

Person, George

Sent:

Monday, July 03, 2000 1:18 PM

To: Person, George; Fariello, Theresa; Humphrey, Calvin; Goldwyn, David

Cc: Berger, Daniel; Spert, Thomas; Lockwood, Andrea; Santiago, Henry; Gilliard, Emma; Willis, Matthew Subject:

RE: Books

Bilateral papers.

<< File: Liyel Imoke.doc >> << File: GoldwynObasanjo.wpd >> << File: Nasir el-Rufai.doc >> << File: SegunAgagu.PWRBilat2.doc >> << File: Brfingfinance.doc >>

-Original Message

From:

Person, George

Sent:

Friday, June 30, 2000 4:53 PM

To:

Fariello, Theresa; Humphrey, Calvin; Goldwyn, David

Cc: Subject: Berger, Daniel; Sperl, Thomas; Lockwood, Andrea; Santiago, Henry; Gilliard, Emma; Willis, Matthew

Importance:

RE: Books High

Draft script as requested.

<< File: SCRIPTECGMTG.doc >>

Will be available via office voice mail or home over weekend, if needed: Plant to firm up many bilateral papers for distribution and review early Monday.

-Original Message

From:

Fariello, Theresa

Sent:

Friday, June 30, 2000 4:14 PM

To:

Person, George

Subject: RE: Books

Thanks.

-Original Message

From:

Person, George

Sent:

Friday, June 30, 2000 4:06 PM

To:

Billig, Michelle; Fariello, Theresa; Santiago, Henry; Ward, Gary Willis, Matthew; Sperl, Thomas; Berger, Daniel; Lockwood, Andrea

Cc:

Subject:

RE: Books

TOC for Nigeria.

<< File: TOCNIGERIAECG.wpd >>

-Original Message

From:

Billig, Michelle

Sent:

Friday, June 30, 2000 4:04 PM

To:

Fariello, Theresa: Person, George; Santiago, Henry, Ward, Gary

Cc: Subject: Willis, Matthew RE: Books

TOC for Bolivia. FYI...the embassy-La Paz received the clearance cable.

<< File: TOC.july.bolivia.doc >>

---Original Message----

From:

Fariello, Theresa

Sent:

Friday, June 30, 2000 12:58 PM

To: Person, George; Santiago, Henry, Billig, Michelle; Ward, Gary

Cc: Willis, Matthew

Subject: **Books**

Can I see outlines for the Nigeria and Boliva books for DLG by cob and for the Brazil book?

GP: I know you are pushing, but we nee dto get the country clearance cable out.

The Nigeria and Bolivia books are both due Wed. noon. DLG leaves for Bolivia at 5:00P Wed., goes straight to Nigeria.

Thank you.

From:

Lockwood, Andrea

Sent:

Wednesday, July 05, 2000 12:58 PM

To:

Fariello, Theresa; Willis, Matthew, Pumphrey, David; Person, George

Cc:

Sperl, Thomas: Berger, Daniel

Subject:

RE: Completed Enron Deal (Nigeria)

The press release from Enron (which we'll put in the briefing book) says the agreement was signed by Enron with NEPA in agreement with the Lagos State Government. Minister of Power and Steel Aggue also signed the agreement. The Power purchase agreement was touted as the first of its kind signed by NEPA. The PPA also allows for the potential construction of a 548 megawat power plant. That project is dependent on the successful completion of a feasibility study and financing.

Original Message—

From:

Goldwyn, David

Sent:

Friday, June 30, 2000 2:18 PM

To:

Person, George

Cc:

Fariello, Theresa; Willis, Matthew; Pumphrey, David

Subject:

RE: Completed Enron Deal (Nigeria)

Good news. Who is the purchaser? Lagos state or NEPA?

Do we know?

And thanks for the heads up, Enron....

I suppose the five year term addresses Refai's concerns about impeding a potential NEPA sale.

---Original Message---From: Person George

Sent:

Friday, June 30, 2000 2:04 PM

To:

Goldwyn, David; Humphrey, Calvin; Fariello, Theresa; King, Rachel; Santiago, Henry

Cc: Pu

Pumphrey, David, Lockwood, Andrea; Billig, Michelle; Sperl, Thomas; Willis, Matthew; Gilliard, Emma; Berger, Daniel; Sacks,

Steve

Subject: Completed Enron Deal (Nigeria)

Importance:

High

Great advocacy news out of Abuja, courtesy of State Dept:

June 30, 2000

The Enron Corporation and Nigerian authorities have completed their negotiations and signed an updated 5-year \$147M power purchase agreement. Under the new terms, Enron will provide 270MW of emergency power and can re-negotiate for a new 5-year contract contingent upon the success of and at the conclusion of the current contract.

From:

Brodman, John

Sent:

Wednesday, August 09, 2000 8:56 AM

To:

King, Rachel

Cc:

Fariello, Theresa; Person, George

Subject:

FW: Daily Report From IA-32: 08.08.00

Rachel, we were asked yesterday to propose/organize some kind of energy "side event" in Nigeria to showcase our energy cooperation/assistance efforts. One idea might be a signing ceremony (Enron Project, and signing for some TDA projects), followed by some remarks by the Secretary and his Nigerian counterpart(s), and a reception with the business community. What kind of event do you think we should try to organize at this juncture? Any ideas or guidance would be appreciated. See below. Thanks, JB

-Original Message

From:

Brodman, John

Sent:

Tuesday, August 08, 2000 4:44 PM

DL-IA-3.2; Billig, Michelle; Person, George; Alicia Porter; Calvin Humphrey; Darren Peters; DAVID GOLDWYN; David Jhirad; David

Pumphrey; Donna Bobbish; Emma Gilliard; Kate English; Leonard Coburn; Linda WHITTED; Matthew Willis; Robert PRICE; Steve

SACKS; Teresa Beeman; Theresa Fariello

Subject:

Daily Report From IA-32: 08.08.00

NIGERIA:

-Attended the NSC/IWG today on the POTUS trip. NSC passed out a list of potential deliverables, but said that they were still working on marrying the events with the site visits and the deliverables.

-Right now it looks like the POTUS will be involved in an AIDS event. An Education event, A Digital Divide (wireless internet) event, a Trade and Investment event (probably a reception), and other events to be determined.

-All events still look like they will take place in Abuja.

-Principals accompanying POTUS may be Slater, Richardson, Sperling, Harmon, Grandmaison, and someone from DOD (not Cohen).

-Side events (ie those not involving Obasanjo or POTUS) are being planned around Labor issues, Transportation, and Law Enforcement. George and I inquired about energy, and we were told that the NSC and State very much want us to devise a side event to showcase our energy cooperation and assistance. WE NEED TO GET BUSY ON THIS < ASAP>. One idea would be to organize a Energy Consultative Group type meeting at the Ministerial level, for a discussion of energy sector reform plans and assistance efforts, that could be followed by a signing ceremony (TDA projects, Enron project, others tbd), and a reception with the private sector.

-NSC/STATE are not keen on showcasing role of US oil companies in Nigeria, unless one or more of them come forward with something really special, ie overand above what they are currently doing in the way of community action programs.

-RUMOR is that the POTUS trip could be cut to one day only, which could impact our planning for a side energy event in : several ways, up or down.

-George has done a table of contents for the briefing book, and a tasking we will get around soonest to get things underway

S. AFRICA:

-We have scheduled a conference call with S. Africa for 9:00am Thursday to discuss the Clean Energy Working Group

We will need to know our position about holding the Clean Energy Working Group meeting at a lower than S2 level in advance of the call.

HSEF: A lot of activity, meeting planned for tomorrow.

HEI: Meeting planned for tomorrow. To OLADE or not to OLADE is the issue, and how do we make it happen.

MOZAMBIQUE: Where are we on this???

From:

English, Kate

Sent:

Thursday, August 17, 2000 10:42 AM

To:

Brodman, John; DL-IA-3.2; Billig, Michelle; Person, George; Hayes, Juanita; Porter, Alicia; Humphrey, Calvin; Peters, Darren; Goldwyn, David; Jhirad, David; Pumphrey, David; Bobbish, Donna; Gilliard, Emma; Coburn, Leonard; Whitted, Linda; Willis, Matthew; Price, Robert S:

Sacks, Steve: Beeman, Teresa; Fariello, Theresa

Cc:

Gilliard, Emma

Subject:

RE: Daily Report From IA-32: 08.16.00

Hello John.

Just following up on the S. Africa dates of Sept. 13-15. Are you considering other dates? Is that possible for the S. Africans given that most of their DEET folks will be at the climate talks in Lyon? Ko Barrett called to say they are concerned with the dates as she and Hales, most of State Dept. and myself and other DOE climate folks will be in Lyon. Is TJ aware of this conflict? I know that David Goldwyn and others are given that I've raised it several times over the past few months in staff meetings. However, I was told that, while that would be taken into consideration, it was, at the time, the only dates TJ could do. However, now that you are considering inviting them here you may wish to reconsider the dates.

Kate

---Original Message---

From:

Brodman, John

Sent:

Wednesday, August 16, 2000 5:11 PM

To:

DL-IA-3.2; Billig, Michelle; Person, George; Hayes, Juanita; Alicia Porter; Calvin Humphrey; Darren Peters; DAVID GOLDWYN; David Jhirad; David Pumphrey; Donna Bobbish; Emma Gilliard; Kate English; Leonard Coburn; Linda WHITTED; Matthew Willis; Robert PRICE; Steve SACKS; Teresa Beeman; Theresa Fariello

Cc:

Gilliard, Emma

Subject: Daily Report From IA-32: 08.16.00

ENRON/Argentina:

-Officials from Enron are coming in Tuesday, August 22 from 1:30 - 2:20 p.m. to brief us on a problem they are having in Argentina. It involves their natural gas pipeline, TGS, which crosses through seven Argentine provinces. Three provinces have imposed a "stamp tax" on Enron which could end up costing the company over \$600 million. This problem has gone on for some time and Enron has been negotiating with the Federal Government (both during the Menem regime, and with the current Administration) to find a solution. The Federal Government has declared the imposition of this stamp tax to be illegal but can't seem to resolve the problem. Enron is coming to Washington to brief us and State Dept. on the issue and their intended next steps (filing a claim against Argentina with the International Center for the Settlement of Investment Disputes within the World Bank).

Enron officials will include Terry Thorn, Executive VP; Joe Hillings, VP for Government Affairs; and Michelle Blaine, Senior Counsel. They will be accompanied by outside counsels - one from Argentina and one from a U.S. firm.

Canada Rumor:

-Kathy Deutsch saw Coleen Swords, the Minister-Counsellor for Economic and Trade Policy at the Canadian Embassy yesterday and she mentioned there may be a cabinet shuffle in Canada in the next few months. Lloyd Axworthy, the Foreign Minister, is apparently getting ready to retire. There is no official word to report, but Coleen said the Canadian press is speculating on his possible successor and that one candidate may be Energy Minister Goodale because he has been in Cabinet for quite some time.

HESF

-Finalized the memo to Telson and sent it around for concurrences.

S Africa:

- Met with Calvin to go over script and issues for his phone call to Deputy Minister Shabangu. Still waiting to hear about participation of DEET in the Sept. 13-15 meeting of the CEWG.

Nigeria:

-spoke with thge CIA and with Linda Dougherty of DOT today to get the pipeline safety package back on track. We heard yesterday from the NSC that the Nigerians would be interested in seeing what we had to offer in this area, as long as we kept it quiet, no press.

- -spoke with State/AF to convey information on S1's plans for bilats/signings.
- -spoke with TDA about possible agreement signings with NNPC during POTUS trip.
- -spoke with the NSC about the rural energy services deliverable.
- -Spoke with Rachel King and Kate English about possible signing of the Clean Energy Statement.

AOPS:

-met with Camille to go over status of actions. Need to determine status of Angola/TRESP/ED funds; the Florida Solar Energy Center \$25k; and source of additional \$10k for CLAA. Owe Camille paperwork for additional \$30k to NREL for Moz.

CSIS Africa Program:

-got a call today from Steve Morrison, director of the CSIS Africa Program, who is organizing a study on US interests in Africa, which will include an energy working group. He said he has talked to David and Matt about this. He is looking to organize a meeting of the energy working group for 2 hours on Sept. 6,7,446 in the afternoon, or the 11th in the afternoon or the 12th anytime. He asked if I could coordinate with David Goldwin's schedule and get back to him. Emma?

HEI:

-met with Gary to discuss his draft on the HEI working group reorganization proposal, and agreed that it would be a good idea to circulate the current document for review and comment by the relevant program offices in preparation for the upcoming HEI Steering committee meeting in Oct.

From:

Pumphrey, David

Sent: To: Friday, April 06, 2001 4:17 PM Ward, Gary; Person, George

Cc:

'billigm@state.gov'

Subject:

FW: Energy Ministers Confirm Private Sector Role - C/LAA Will Continue Efforts

john keeps plugging away.

----Original Message----

From: JHARRNGTN@aol.com%internet [mailto:JHARRNGTN@aol.com]

Sent: Friday, April 06, 2001 4:09 PM

To: JHARRNGTN@aol.com%internet

Subject: Energy Ministers Confirm Private Sector Role - C/LAA Will

Continue Efforts

Dear Energy Sector Colleague:

As part of the "Mexico Declaration" issued at the close of the Fifth Hemispheric Energy Ministers Meeting in Mexico City on March 9, 2001, the ministers reaffirmed their request to the private energy sector in the Hemisphere to organize itself into a business forum. They wrote:

"Given the valuable contribution of the private sector to the hemispheric energy integration process, we encourage business in the Americas to form a business network to facilitate a dialogue between businesses in the region and an exchange of ideas with governments in the region, as agreed to at the Fourth Hemispheric Energy Ministers Meeting in New Orleans."

What the ministers agreed to in New Orleans was: "The Ministers, aware that the input from the business sector is one of the essential elements for the realization of the objectives of the HEI, encourage the business sector established in the Hemisphere to organize itself into a Business Forum to cooperate with the Hemispheric Energy Initiative."

The language in the Mexico declaration changes the language from a business forum to a network. This reverts back to language proposed by C/LAA to the U.S. Department of Energy prior to the meeting in New Orleans. C/LAA proposed establishing a network (using the Internet) leading to a business forum to meet with the energy ministers.

Following this reaffirmation of the interest of the ministers in developing an ongoing communication with the Hemispheric energy private sector, C/LAA will continue its efforts to get such a network and forum established under the name of the Americas Energy Business Forum (AEBF). We have approached senior private sector officials from North America, South America, Central America, and the Caribbean to participate in an "ad hoc" executive committee for the Americas Energy Business Forum. We will use this private sector committee to approach governments to assure their participation in this process. When the formation of the executive committee is complete, we will launch the Americas Energy Business Forum.

Please keep in mind that we are not talking about starting a new organization. Rather, working with existing organizations, we hope to develop a distributed process for linking interested parties together with information and dialogue.

I am attaching below, the note I sent following the meeting between the ministers and the private sector on March 8, 2001 in Mexico City.

I would be happy to answer any questions you may have on this process to establish an Americas Energy Business Forum including sending background

material.

Regards,

John

John M. Harrington, Jr., Ph.D. Senior Economist and Director of Energy Programs Caribbean/Latin American Action 1818 N St. N.W. Suite 500 Washington, DC 20036

Tel: 202-466-7464
Fax: 202-822-0075
Mobile: 703-623-1727
email: jharrngtn@aol.com

In a message dated 3/9/01 8:35:21 AM Pacific Standard Time, JHARRNGTN writes:

<< Subj: C/LAA Participation at the Hemispheric Energy Conference, Mexico City on March 8

Date: 3/9/01 8:35:21 AM Pacific Standard Time

From: JHARRNGTN To: JHARRNGTN

CC: Energiaemb@cs.com

CC: ashbc@texaco.com (Ash, Ben C)

Dear Energy Sector Colleague:

Although the Government of Mexico did not permit C/LAA to host a private sector session as part of the Hemispheric Energy Business Conference March 8-9, 2001 in Mexico City, C/LAA's participation in the one-day Energy Business Form of the Americas of the Hemispheric Energy Initiative on March 8, 2001 did raise the awareness of C/LAA's efforts to improve the public/private sector dialogue on energy issues through its efforts to start an Americas Energy Business Forum.

In addition to numerous corridor discussions with participants, I had the opportunity to make an intervention in the closing plenary billed as a "Government-Private Sector Dialogue". For this session, the energy ministers or senior energy officials of the governments participating in the Conference were lined up on the raised stage. These included U.S. Energy Secretary Spencer Abraham, Mexican Energy Secretary Ernesto Martens, Minister of Natural Resources of Canada Ralph Goodale, Minister of Energy of Trinidad and Tobago Lindsay Gillette, Minister of Energy of Venezuela Alvaro Silva Calderón, Minister of Energy of Peru Carlos Herrera, and the Minister of Energy of Ecuador Pablo Terán. Colombia was represented by Gabriel Sánchez, Director General of Planning for Mining and Energy, Argentina was represented by Monica Servant, an advisor to the Ministry of Energy and Mining, and Chile was represented by Viviane Blanlot, Executive Secretary of the National Energy Commission. Also on the stage were representatives of Brazil, Bolivia, Guatemala, and Honduras. Julio Herrera, Executive Secretary of Olade, chaired this session.

As the second intervention, I introduced myself, and discussed C/LAA's efforts since the New Orleans ministerial to assist the Hemispheric Energy Initiative (HEI) process. I reminded the ministers that at their last meeting they asked the private sector energy community to organize themselves into a business forum. I pointed out the based on many of the discussions at this conference, it was clear that the energy issues are challenging and having an ongoing process to discuss these issues between the public and private sector was important with the goal of making these periodic meeting with the ministers more productive. I continued that we had made some progress but that this is a very difficult task. I noted that we had established a website called the AmericasEnergyBusinessForum.org or aebf.org, and that we had made a presentation in Ottawa to the Steering Committee of the HEI. I explained that we had requested of the Steering Committee that the governments simply agree to be at the other end of the line if questions

were raised. I indicated we had never received an answer from the Steering Committee. I concluded by saying that while this is a very difficult challenge, both the governments and the private sector should make a major effort to make this work.

After I sat down, the Chair requested that I continue and make a concrete proposal. I made a second intervention by emphasizing that from all the discussions to date, it was clear there was not a need to establish a new organization. Rather that this Americas Energy Business Forum should work with existing organizations such as OLADE, CIER, ARPEL, as well as groups in North America. I said that we were in the process of establishing an "ad hoc" executive committee made up of company CEOs from South America, Central America, North America and the Caribbean. I noted that this was a bit like tilting at windmills but that the goal still appears to be worthwhile.

Gabriel Sánchez of Colombia made some very positive comments in reply to my intervention. Gabriel was the former Executive Secretary of OLADE and former Enron official. He had participated in his Enron days in the breakfast and roundtable discussion on this subject that C/LAA hosted in New Orleans. He argued for the importance of this type of dialogue to enhance integration and consistency of regulatory environments. He noted that most of the existing institutions in South America, which now are pushing for integration, grew out of State institutions.

The closing keynote speech was by Canada's Minister of Natural Resources Ralph Goodale. In that talk he raised the importance of making the public private sector dialogue more effective than it appeared to be at this meeting. He made the same point to me in private after the session had ended.

I have requested but not yet received a list of the private sector participants. With the exception of the sponsoring companies who all had senior officials speaking at one of the four concurrent panels in the afternoon, the attendance at this "business forum" appeared to consist primarily of a few association representatives (eg, Institute of the Americas, Domestic Petroleum Council), energy consultants, and representative of companies already residing in Mexico City. BP had five participants with Richard Flury, Chief Executive of Gas and Power speaking at the panel on "the Role of Oil in the Hemisphere". Sempra was a sponsor with its president Darcel Hulse speaking in the session "The Natural Gas Market". El Paso was a sponsor with its speaker Peter Wilt, Senior Executive Vice President for Latin America speaking at the session "The Electricity Sector in the Hemisphere" although he was only present for his session. Two representative of Pace Global Energy Services also participated. Pace was a sponsor and their CEO Tim Sutherland spoke at the session" The Role of Renewable Energy in the Hemisphere". Two other sponsors, Royal Dutch Shell and Westcoast Energy had senior officials speaking. Enron was a major sponsor but they did not have a speaker nor did I meet anyone from Enron. The nametags were very poor and did not list the affiliation.

The Conference opened with talks by Ernesto Martens, Secretary of Energy of Mexico, Mack McLardy, Vice Chairman of Kissinger & McLarty Associates, and Thomas Emmons, Director of Project Finance of Pricewaterhouse Coopers, NY (also a conference sponsor). Also speaking in the morning was Guaicaipuro Lameda, the Presidnet of PDVSA. Spencer Abraham, U.S. Energy Secretary gave the luncheon keynote.

I had a chance to speak at some length with the Energy Minister of Trinidad Lindsay Gillette. I also had the opportunity of meeting Secretary Abraham and briefly discuss our efforts and our close working relationship with his staff.

On balance, C/LAA's participation in the event in Mexico City was useful. The nade a number of useful contacts that will be helpful for C/LAA in its efforts to improve the environment for energy trade and investment in the lemisphere.

Regards,

John:

John M. Harrington, Jr., Ph.D.
Senior Economist and Director of Energy Programs
Caribbean/Latin American Action
1818 N St. N.W. Suite 500
Washington, DC 20036
Tel: 202-466-7464
Fax: 202-822-0075
Mobile: 703-623-1727
email: jharrngtn@aol.com

Email sent April 6, 2001 to: JHARRNGTN, (EnergiaEmb@cs.com), (ashbc@texaco.com (Ash, Ben C)), (franbaq@telcel.net.ve (Francisco Baquero)), (pbatalla@doil.com), (pbennett@ucsd.edu (Patricia Bennett)), (jbowles@advocast.com), (sbrannon@claa.org), (brewsrl@texaco.com (Brewster, Rendell L)), (John.Brodman@hq.doe.gov), (Stephen_D_Burns@enron.com), (bc64nd68@aol.com), (Jackcarter), (eia@ou.edu (Energy Institute of the Americas)), (dacrabtree@tecoenergy.com), (crokem@epenergy.com), (cummiwm@texaco.com), (Mike Dahlke@enron.com (Mike Dahlke)), (carla.dancy@eds.com (Dancy, Carla M)), (DagobertoDoug.DelaMorena@equistarchem.com (de la Morena, Dagoberto "Doug")), (Gavin Dillingham@enron.com), (richard.t.dobson@exxon.com), (John.D.Donovan@usa.conoco.com), (gina.erickson@hq.doe.gov), (jpenloe@duke-energy.com), (sfeder@energia.gob.mx), (alfredo.fernandez-sivori@exxon.com), (brian.p.flannery@exxon.com), (foleymt@bpsolarex.com), (Richard.Germain@coastalcorp.com), (giroirp@epenergy.com), (ed.w.glab@exxon.com), (otto.gonzalez@enron.com), (SGottlieb@oas.org), (jsgraham@ober.com (John Graham)), (Jhalpern@worldbank.org), (john.hardy@enron.com), (harrisbt@bp.com), (HeroldRA@BP.COM (Herold, Richard A)), (jherrera@olade.org.ec), (Joe Hillings@enron.com (Joe Hillings)), (Jrhorton2@aol.com), (hoyermauro@hotmail.com (Mauro Hoyer)), (jjames@pplglobal.com), (rkeene@mclarty.com), (khattak@erols.com), (MLambrides@oas.org (Lambrides, Mark)), (nkuliche@sentech.org), (m.kay.larcom@usa.conoco.com, (RLockh3532), (plookadoo@thelenreid.com (Phillip Lookadoo)), (Mariella.Mahan@enron.com), (Gia Maisashvili@enron.com (Gia Maisashvili)), (smarks@travelin.com), (McManusMT@state.gov (McManus, Matthew T)), (lmellin@attglobal.net (Larry Mellinger)), (amirkin@mercadosenergeticos.com.ar (Mirkin, Alfredo)), (moreac@texaco.com), (comorton@ucsd.edu), (mmuylle@worldbank.org), (inapoli@duke-energy.com), (spage@imginfrastructure.com), (mjpeters @duke-energy.com), (DJPlanty@claa.org), (lpoggenpohl@icqti.org), (FPONASSO@edenor.com (Francisco PONASSO)), (David.Pumphrey@hq.doe.gov (Pumphrey, David)), (MARIA.REIDPATH@netl.doe.gov (Maria Reidpath)), (ReicheEA@BP.COM), (riverpw@texaco.com (Rivers, Phillip W)), (Evanan Romero/FS/KSG@ksg.harvard.edu), (MARomeros), (bsanchez@sevenseaspetro.com (Bryan B. Sanchez)), (hsantiago@starpower.net (Hank Santiago)), (rsawaya@cais.com), (nora scheller@email.mobil.com), (Rksherr), (ercc@erols.com (Eric Simpkins)), (kylesimpson@morganmeguire.com (Kyle Simpson)), (sslusser@aesc.com.), (gthompson@usaid.gov), (Elio.Tortolero@enron.com), (Gary.Ward@hq.doe.gov (Ward, Gary)), (pjwilt@duke-energy.com), (Nohemi.Zerbi@ee.doe.gov), (ChaseH@BP.COM (Chase, Howard)), (wfwhitsitt@aol.com), (john.clarke@battelle.org), (afuentes@grupoimperial.com.mx), (quinnac@bp.com), (aedmunds@claa.org)

From:

Pumphrey, David

Sent:

Monday, April 23, 2001 2:46 PM Person, George; Ward, Gary

To: Subject:

FW: Invitation to Host C/LAA Energy Business Team

I would say that we should go ahead and schedule this.

----Original Message----

From: JHARRNGTN@aol.com%internet [mailto:JHARRNGTN@aol.com]

Sent: Monday, April 23, 2001 1:35 PM

To: Pumphrey, David

Cc: Ward, Gary; DJPlanty@claa.org%internet; aedmunds@claa.org%internet

Subject: Invitation to Host C/LAA Energy Business Team

David:

I hope you are well.

As I mentined in my voice mail this morning, I would like to schedule C/LAA's Energy Business Team meeting at DOE again this year. The planned date and time is Wednesday May 30th from 10am to 11:30am. Would you be able to host this meeting? We have confirmed Rick Dobson of ExxonMobil and Claude Moreau of Texaco. We hope to have all of C/LAA's energy trustees (including Enron) as well as some of the usual group.

I look forward to hearing that you will be able to host this meeting.

Regards,

John

John M. Harrington, Jr., Ph.D.
Senior Economist and Director of Energy Programs
Caribbean/Latin American Action
1818 N St. N.W. Suite 500
Washington, DC 20036

Tel: 202-466-7464 Fax: 202-822-0075 Mobile: 703-623-1727

email: jharrngtn@aol.com or jharrington@claa.org

From:

Pumphrey, David

Sent:

Friday, June 15, 2001 3:15 PM

To:

Benson, Erika: Angulo, Veronica: Person, George; Price, Robert S; Ward, Gary, Lockwood,

Andrea: Erickson, Gina

Cc:

Juckett, Donald; TRAPMANN, WILLIAM; KING, ROBERT; Caudillo, Yvonne; Guerrina,

Donna: Villar, Jose

Subject:

RE: LNG Open Access Issue

Thanks - good summary.

----Original Message-

Benson, Erika

From:

benson, enka

Sent: To: Friday, June 15, 2001 2:42 PM

10:

Pumphrey, David; Angulo, Veronica; Person, George; Price, Robert S; Ward, Gary; Lockwood, Andrea; Erickson, Gina

Cc:

Juckett, Donald; TRAPMANN, WILLIAM; KING, ROBERT; Caudillo, Yvonne; Guerrina, Donna; Villar, Jose

Subject:

LNG Open Access Issue

After a discussion with Rich Foley at FERC and an e-mail from Bob King in EIA, I have a detailed explanation of the open-access situation for the U.S. LNG receiving terminals.

Boston, who is owned by Distrigas is NOT open-access. LNG is shipped in under a special deal approved in 1988. This agreement was never reopened in 1992 when open-access became an issue. Distrigas under this agreement buys LNG and sells it to their corporate affiliates under a price cap. No one can enter the Distrigas market, it's closed to other buyers and sellers.

Now, all the other receiving terminals, (only one currently operational, Lake Charles), are theoretically open access terminals, but capacity is so limited that long term suppliers hold the market. Lake Charles LNG terminal is owned, operated, and all cargoes are contracted by the CMS corporation. Qatar could not contract with El Paso Energy or Duke Energy for cargoes going through Lake Charles LNG terminal directly. It would have to sell to CMS and El Paso and Duke would have to buy from CMS. This does limit the negotiating maneuver room of Qatar.

For example, the Cove Point project scheduled to reopen soon, had an open season on it's capacity last year. Bids were awarded to three shippers who will divide the capacity equally. Qatar has the ability to make an offer to one of the shippers for their capacity, but the long-term contract holder does not have to sell, regardless of the terms offered.

Southern Energy who owns the Elba Island Terminal, which is currently under construction is also completely contracted out to long term suppliers, but is theoretically open access.

Obviously, gas sold interstate from a receiving terminal is under FERC jurisdiction. Not all receiving terminals sell interstate nor are their any rules requiring current or future facilities to do so. For example, the receiving terminal in Puerto Rico is not open access and the USG cannot do anything about that. It is owned by Enron and Enron uses the imported LNG for power generation on the island. Enron can sell the gas to other buyers on the island, whenever it wants to, but selling the gas for use in places like the continental U.S., would require the involvement of FERC.

The future of the LNG market is up in the air regarding open access. There are many terminals in the planning stages in and around the Gulf of Mexico. These terminals could be private, intrastate, or interstate. The USG is not involved in that decision. Also, due to the cost of LNG facilities, these receiving terminals will likely be built with long-term contracts in place before they go into operation, limiting the available capacity for short-term suppliers like Qatar.

I hope this provides some clarity to the situation.

Erika Benson Office of International Affairs U.S. Department of Energy 202-586-6531

From:

Benson, Erika

Sent:

Friday, June 22, 2001 12:42 PM

To:

Person, George

Cc:

Ward, Gary; Sanchez, Delano; Erickson, Gina

Subject:

E-mail for Expert Input for the Caribbean Natural Gas Forum

To keep the ball rolling on the Caribbean Natural Gas Forum to be held in August in Trinidad I will be sending out a letter, draft agenda and the draft concept paper (which includes the most recent changes by George and Andrea) to the World Bank, Inter-American Development Bank and industry experts. I hope to receive some feedback on the agenda topics and appropriateness of the issues covered in the conference.

Thanks to Delano Sanchez for gathering the names and e-mail addresses as well as for finding the appropriate people to have these documents sent to.

Below are a list of who I will be sending the attachments:

- 1.) Frank Lookin, Project Manager of the Atlantic LNG Project, Trinidad
- 2.) Ciro de Falco, Manager, Region 3, Inter-American Development Bank
- 3.) Neville Beharie, Trinidad Representative, Inter-American Development Bank
- 4.) Badrul Haque, Caribbean Representative, IADB
- 5.) Sue Goldmark, Caribbean Development Projects, World Bank
- 6.) Norman Cameron, Natural Gas Div., Caribbean Development Bank
- 7.) Henry Means, PR., Enron Caribbean Basin, Global LNG
- 8.) Robert Solberg, President, Texaco Commercial Development
- 9.) Rob Fenton, LNG Coordinator, Shell U.S. Gas and Power
- 10.) David Cobb, Director, LNG Commercial development, CMS Trunkline Co.
- 11.) William Smith, President, El Paso Global LNG
- 12.) Paul Smith, VP Upstream Development, BPAmoco TT
- 13.) Paula Rockstroh, VP Communications, Tractebel North America



Caribbean Forus



Carib LNG Strategic Dev Concep...



letterdraft.wp

Erika Benson Office of International Affairs U.S. Department of Energy 202-586-6531

From:

Person, George

Sent:

Wednesday, May 16, 2001 7:13 PM

To:

Pumphrey, David; Coburn, Leonard; Gale, Barry; Sacks, Steve; Gilliard, Emma; Angulo, Veronica; DL-IA-3.2; Lahood, Samuel; Hudome, Randa; Downs, Sharon; Price, Robert S;

Francis, Maria; Washington, Melodie; Hayes, Juanita

Subject:

DAR: 5/15-16/01

Atlantic Council of the U.S.: Attended gala dinner, which included remarks from Dr. Henry Kissinger and participation by representatives from several energy companies (Enron) and trade organizations. Included discussions on the expanding influence in and of the Western Hemisphere.

North American Energy Working Group: Revised agenda and coordinated various logistics. (Andrea Lockwood)

National Energy Development Policy Group: Prepared transmittal letters to select Energy Ministers (and Nigerian President Obasanjo who holds the petroleum portfolio) and action memo.

U.S.-Mexico Working Group on Enhanced Electricity Trade: Continued preparations for trip visit on May 24th. Revised agenda prepared by the Mexicans, coordinated details with Embassy contacts, and identified General Counsel representative to join the team. Tasked assignments for the briefing book. Worked with V. Angulo on different issues related to the Working Group. Erika Benson and Gina Erickson continued searches for news articles and clippings on Mexico and energy. Gina signed up for several news listing services offered by the US Embassy in Mexico City.

Canada: Discussed proposed date and venue for Energy Consultative Mechanism Meeting with State Dept. State will be proposing

July 17th, in Ottawa, to the Canadians as an alternative to June 26th in Washington.

West African Affairs: Carolyn Haylock-White discussed international energy issues with Gibson Asuquo, Project Engineer, Office of Project Management, Golden Field Office. Also, she coordinated and participated in meetings for Mr. Asuquo with other IA staff and EE staff (Moore, Sacco and Millhone).

Western Hemispheric Affairs: Gina Erickson began preparing the list of participants for the proposed regulators conference, which could be held late summer or fall. Potential attendees include representatives from major electricity companies and parastatal energy organizations in Latin America and the Caribbean. Prepared a database of all regulator organizations in the region.

Chile: Gina Erickson began making contacts and conducting background research to prepare for an informal meeting, requested by the Fondo de las Americas (FDLA). FDLA will be sending three representatives to the United States on June 18-29, to meet with representatives of non-governmental organizations and government agencies involved in the environment or sustainable development. The US Embassy Santiago requested that FDLA representatives meet with Gary Vard and other DOE representatives to better understand IA's role in international sustainable development and how activities could be coordinated and mutually beneficial.

'enezuela: Erika Benson is processing a J-1 visa request for an extension of a PDVSA employee. The applicant is rorking at the Phillips Petroleum Refinery in Texas as a technical team leader for the petroleum engineers. The host ompany is Fluor Daniel Latin America, which was contracted by PDVSA.

'araguay: Reviewed and provided comments on paper being prepared by Debra Smith.

aribbean Energy Initiative: Erika Benson is working on the concept paper for the upcoming Caribbean Natural Gas orum in Trinidad.

d Conference on Least Developed Countries (LDCs) in Brussels: The Conference is being held 14-20 May, and will camine economic isolation, of the LDCs, 34 are from sub-Saharan Africa. Hosted by the EU, the Conference is spected to be results oriented reaching consensus on concrete steps for international community to deal imprehensively with trade, market access, sustainable development and debt relief. The conference is follow-up from N Millennium Summit, New York, Sept 2000. Interactive sessions on Enhancing Productive Capacities, the Role of ternational Trade and Services, and on Energy will be held. (Tom Sperl)

ade in Services: The US, EU, Japan and other developed nations are meeting at the World Trade Organization (WTO)

205

week in Geneva to discuss further liberalization of the services markets. DOE is being represented by Harvetta Asamoah of General Counsel. (Tom Sperl)

Personnel/Administrative: Met with staff to discuss different personnel issues. Discussed cable distribution process and working with other IA offices to streamline the IA-32 process (Smith/Erickson). Gary Ward on leave (Wednesday & Thursday).

Benson, Erika

From:

Benson, Erika

Sent:

Wednesday, July 25, 2001 10:18 AM

To:

Lockwood, Andrea

Cc: Subject: Ward, Gary FW: PDVSA letter



Lamedal etter july 9 2001.doc



This letter discusses the Enron LNG project and need for decision to be made by PDVSA.

----Original Message----

From: Tom.Briggs@enron.com%internet [mailto:Tom.Briggs@enron.com]

Sent: Wednesday, July 25, 2001 9:59 AM

To: Benson, Erika Subject: PDVSA letter

I hope that this confidential letter is useful. I look forward to working with you.

(See attached file: LamedaLetter july 9 2001.doc)

From:

Pumphrey, David

Sent:

Monday, September 24, 2001 9:29 AM

To:

Person, George; Benson, Erika; Lockwood, Andrea

Subject:

RE: Industry/Interagency Roundtable on Venezuela

I believe that Juanita has kept that list. Unfortunately she's not here today.

----Original Message----

From:

Person, George

Sent: To: Monday, September 24, 2001 9:26 AM Benson, Erika; Lockwood, Andrea

Cc:

Pumphrey, David

Subject:

RE: Industry/Interagency Roundtable on Venezuela

Erika.

As discussed, you should start to work more closely with Andrea. Based on a voice mail, she will be in tomorrow and, as needed, is available by phone.

On this action, we need to ensure that we invite a broader range of private sector reps and avoid even the appearance of excluding some. Using a few associations may be the best approach.

Dave,

Is there a standard mailing list for the industry dialogue exercise we've done previously?

Thanks.

George

----Original Message----

From:

Benson, Erika Monday, September 24, 2001 9:11 AM

Sent: To:

'John.Hardy@enron.com', 'Shiptrans@aol.com%internet'; 'Tom.Briggs@enron.com%internet'

Cc: Lockwood, Andrea; Pumphrey, David; Person, George

Subject: Industry/Interagency Roundtable on Venezuela

Recent concerns about the investment climate in Venezuela and the upcoming Principal Coordinators Meeting for the Department of Energy, has prompted an Industry/Interagency Roundtable next Friday September 28th at 10am-12pm at DOE. (Exact room number will be sent)

The Industry portion, the first hour, will be chaired by our new Assistant Secretary for Policy and International Affairs, Vicky Bailey.

Please let Andrea Lockwood (202-586-6082) or I know if you have any questions. Please let us know if you can attend.

Thanks,

Erika Benson Office of Policy and International Affairs U.S. Department of Energy 202-586-6531 From:

Tom.Briggs@enron.com%internet [Tom.Briggs@enron.com] Wednesday, July 25, 2001 9:59 AM Benson, Erika PDVSA letter

Sent:

To: Subject:



2001.doc

with you.

I look forward to working I hope that this confidential letter is useful.

(See attached file: LamedaLetter july 9 2001.doc)

From:

Pumphrey, David

Sent:

Tuesday, September 18, 2001 6:12 PM

To:

Person, George; Hudome, Randa; Benson, Erika

Cc:

Lockwood, Andrea; Bailey, Vicky

Subject:

RE: Vene

I've made some edits to the letter and the covering memo. George you should have it in the morning.

----Original Message----

From:

Person, George

Sent:

Tuesday, September 18, 2001 4:45 PM

To:

Hudome, Randa; Benson, Erika

Cc:

Lockwood, Andrea; Pumphrey, David; Bailey, Vicky

Subject:

RE: Vene

Randa,

The letter, after various changes and concurrence from USTR and State, went up the chain for review/approval yesterday. Latest version attached.

<< File: Letter to Silva Calderon re Hydrocarbons Law11.doc >>

After taking several passes at them, the Venezuelans have declined our efforts to maintain the 21st date for the bilateral meeting. Also, the SAIS event on the 20th has been cancelled. The U.S. Embassy weighed in as well on picking another date and working more thoroughly on our position on the draft Hydrocarbons Law.

Currently, there are discussions about rescheduling the SAIS event for October 8th or 15th. Within the next week, we should schedule the industry roundtable and interagency meeting in support of the bilateral meeting.

George

---Original Message----From: Hudome, Randa

From: Sent:

Tuesday, September 18, 2001 1:07 PM

To: Benson, Erika; Person, George

Subject: Vene

Importance:

High

1) Did letter go out from ESA to Silva? If so can you fax copy to JOhn Hardy at Enron 331-4717

2) Are vens coming for bilat??

From:

Hudome, Randa

Sent: To: Tuesday, September 18, 2001 4:51 PM

Person, George

Subject:

RE: Vene

thanks

----Original Message----

From:

Person, George

Sent:

Tuesday, September 18, 2001 4:45 PM

To:

Hudome, Randa; Benson, Erika

Cc:

Lockwood, Andrea; Pumphrey, David; Bailey, Vicky

Subject: RE: Ven

Randa,

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<< File: Letter to Silva Calderon re Hydrocarbons Law11.doc >>

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Currently, there are discussions about rescheduling the SAIS event for October 8th or 15th. Within the next week, we should schedule the industry roundtable and interagency meeting in support of the bilateral meeting.

George

---Original Message----

From:

Hudome, Randa

Sent:

Tuesday, September 18, 2001 1:07 PM Benson, Erika; Person, George

Subject: Vene

Importance:

High

- 1) Did letter go out from ESA to Silva? If so can you fax copy to JOhn Hardy at Enron 331-4717
- 2) Are vens coming for bilat??

From:

Deutsch, Kathleen

Sent:

Thursday, August 16, 2001 10:50 AM

To:

Angulo, Veronica

Cc:

Person, George; Bailey, Vicky; Glotfelty, Jimmy; Livingston, Ellen

Subject:

RE: Input from American Companies Considering Investment in Mexico

Thanks, Veronica. This is helpful information and I'll definitely work the points into the briefing papers for the various meetings. Kathy

-Original Message

From:

Angulo, Veronica

Sent:

Thursday, August 16, 2001 9:51 AM

To:

Deutsch, Kathleen

Cc: Subject: Person, George; Bailey, Vicky; Glotfelty, Jimmy; Livingston, Ellen Input from American Companies Considering Investment in Mexico

Importance: High

Kathy,

I thought that I would pass this input from American companies considering investing in Mexico. Perhaps you can work some of their thoughts into the briefings that you are preparing for the BNC and Fox's visit. Companies that provided these comments include Enron, AES, Intergen, Tampa Electric Company, and Public Services of New Mexico.

Thank you,

Veronica

- The Companies would like to see true competitive gas and electricity markets. They do not believe "patching things up" will succeed in spurring more investment. They believe that instead the the industry should be structured on solid foundations. They believe that only legal and constitutional amendments will spark real investment
- The companies believe that there should be more definition on availability of fuels, either if supplied by Pemex or if outside investment is going to be allowed. One idea is to allow Pemex buy capacity from private pipelines and allow investors to market the rest of the pipe in the open market.
- The Mexican markets needs diversification of fuels beyond heavy oil and gas.
- * The Companies believe that there is a need to promote and accomplish interconnections to truly integrate Mexico
- with the rest of the North American electricity and gas markets. Need to better define Mexico's desires and concerns regarding development of such interconnections.
- * The specifications for bids for power sales from IPP plants should be limited to power delivery and scheduling; the specifics of power plant design, etc. should be up to the seller.
- * Purchases by CFE should take into consideration the value of services other than just power and energy at the lowest price. The services that should be considered include the provision of reserves, voltage support, quick start capability. Regulatory frameworks and markets should be developed to recognize and promote

these services.

From: Sent: Pumphrey, David

Tuesday, August 07, 2001 8:52 AM

To:

Person, George; Ward, Gary; Benson, Erika

Subject:

Ferson, George, Ward, Gary, Benson, Enka
FW: Request for Ideas for Speakers for the Energy Sessions - C/LAA Miami Conf



Would this be a good venue for a discussion of Caribbean gas. The Commission could use it as a coming out party.

----Original Message----

From: JHARRNGTN@aol.com%internet [mailto:JHARRNGTN@aol.com]

Sent: Tuesday, August 07, 2001 7:17 AM

To: JHARRNGTN@aol.com%internet

Subject: Request for Ideas for Speakers for the Energy Sessions - C/LAA

Miami Conf

Dear C/LAA Energy Trustee/Alternate/Business Team Member:

Attached and copied at the end of this communication is a description of the energy sessions being planned for this 25th anniversary offering of the C/LAA Miami Conference December 4-7, 2001. Please mark your calendars for this important conference! Registration is now available on-line at www.claa.org.

I would very much appreciate suggestions on speakers for these sessions and any additional information on these topics that would enhance these sessions.

Please note that C/LAA will not be hosting a session this fall in Central America due to a conflict with another conference on a similar topic. However, we feel that a session in Miami in December will support efforts in Central America to integrate the energy sector.

Thanks for your continued support for C/LAA and its energy program.

legards,

ohn

ohn M. Harrington, Jr., Ph.D.

enior Economist and Director of Energy Programs

aribbean/Latin American Action

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bile: 703-623-1727

ail: jharrngtn@aol.com or jharrington@claa.org

RIBBEAN/LATIN AMERICAN ACTION

ERGY SESSIONS

AMI CONFERENCE - December 4-7, 2001

Energy Integration in Central America

integration of electricity, natural gas, and petroleum products in Central America. It will provide an update on SEIPAC, the IDB supported electricity integration program, examine the potential for natural gas supplies from Mexico and Colombia, and discuss the rationalization of petroleum refining and distribution. This session will also examine the lessons learned from this process and how these can apply to other regional groupings such as the Caribbean.

2. Distributed Electricity Production

This session will examine the technologies, legal, and regulatory frameworks for supporting and encouraging the location of electricity production near the locations of demand. The technologies reviewed will include fuel cells, wind power, and photovoltaics. With the current high cost of electricity on islands and in remote areas, this session will review real options for reliable and less expensive power. Because so many of these options are inherently clean, these options will be beneficial in tourist areas.

3. Special Energy Session: ExxonMobil Energy Outlook

This session provides an assessment of the world supply and demand for energy with a special emphasis on Latin America and the Caribbean.

In a message dated 7/17/01 8:41:53 AM Eastern Daylight Time, JHARRNGTN writes:

<< Subj: Ideas for Second Energy Session at C/LAA's December Miami Conf?</pre>

Date: 7/17/01 8:41:53 AM Eastern Daylight Time

From: JHARRNGTN To: JHARRNGTN

Dear C/LAA Energy Trustee/Alternate/Business Team Member:

As you know from the earlier communication, one of the sessions at this year's Miami Conference scheduled December 4-7, 2001 will be on Central American energy integration. This will be a follow-on to the tentative session to be held in Central America in October. I am looking for ideas/suggestions on the second energy session. The format of the Conference will be a bit different this year (it is the 25th annual conference!) and there will be two energy sessions with panels. We will also have the "World Energy Outlook" provided by ExxonMobil as was done last year. ExxonMobil has kindly offered to provide that briefing again this year.

I have thought of the following considerations:

- a. It would be good to have something appealing to Caribbean participants.
- b. If don't think we should have a session again focusing on the Americas Energy Business Forum. Perhaps we can convey any progress and discuss issues at the Energy Business Team meeting which will be held in conjunction with the Conference.
- c. C/LAA's overall energy theme is finding appropriate laws and regulations o support energy trade and investment. We had an excellent session on that opic last year. Should that be repeated?
- d. We have had a session dealing with renewable energy/clean energy/energy fficiency/global warming etc at each conference for the past many many years.

With these as considerations, I am open to any and all suggestions. My time rame is short as I hope to have a brief write up by Friday morning. I would opreciate your reply by COB Thursday.

Thanks for your help.

Regards,

lohn

ohn M. Harrington, Jr., Ph.D.

Senior Economist and Director of Energy Programs Caribbean/Latin American Action 1818 N St. N.W. Suite 500

Washington, DC 20036 Tel: 202-466-7464 Fax: 202-822-0075 Mobile: 703-623-1727

email: jharrngtn@aol.com or jharrington@claa.org

(brewsrl@texaco.com (Brewster, Rendell L)), (Stephen D Burns@enron.com), (Jackcarter), (ChaseH@BP.COM (Chase, Howard)), (dacrabtree@tecoenergy.com), (cummiwm@texaco.com), (mdahlkel@excite.com (mike dahlke)), (richard.t.dobson@exxon.com), (donawkw@texaco.com), (aedmunds@claa.org), (Theresa.M.Fariello@exxon.com (Fariello, Theresa)), (alfredo.fernandez-sivori@exxon.com), (brian.p.flannery@exxon.com) (foleymt@bpsolar.com), (afuentes@grupoimperial.com.mx), (ed.w.glab@exxon.com), (dgoldwyn@goldwyn.org), (jsgraham@ober.com (John Graham)), (laura@ecee.org), (whenry@dukeengineering.com), (MLambrides@oas.org (Lambrides, Mark)), (plookadoo@thelenreid.com (Phillip Lookadoo)), (Mariella.Mahan@enron.com), smarks@travelin.com, (McManusMT@state.gov (McManus, Matthew T)), (moreac@texaco.com), (mmuylle@worldbank.org), (DJPlanty@claa.org), (ramsamdp@bp.com), (rileyrb@bp.com), (riverpw@texaco.com (Rivers, Phillip W)), (MARomeros), (leticiaruiz@infosel.net.mx (Leticia Ruiz)), (hsantiago@starpower.net (Hank Santiago)), (nora scheller@email.mobil.com), (aschumacher@bcse.org), (ksherr@pplqlobal.com), (ercc@erols.com (Eric Simpkins)), (kylesimpson@morganmeguire.com (Kyle Simpson)), (Elio.Tortolero@enron.com) (David.Pumphrey@hq.doe.gov (Pumphrey, David)), (Gary.Ward@hq.doe.gov (Ward, Gary)), (qina.erickson@hq.doe.gov), (Erika.Benson@hq.doe.gov (Benson, Erika)), (Veronica.Angulo@hq.doe.gov (Angulo, Veronica)), (George.PERSON@hq.doe.gov (Person, George)), (MARIA.REIDPATH@netl.doe.gov .(Maria Reidpath)), (Kathleen.Deutsch@hq.doe.gov), (dudleyjl@state.gov) >>

From: Sent:

Subject:

Erickson, Gina

Friday, August 03, 2001 10:26 AM

Person, George; Lockwood, Andrea; Sperl, Thomas; Haylock, Carolyn; Gay, Carolyn To:

MAPUTO: ENRON DECIDES TO SUSPEND OPERATIONS: LACK OF BULK WATER AND

ELECTRIC POWER CITED IN APPARENT END OF MISP

Mozambique?

<MCN> 01-00146944 <Message ID> 200120101595

<Precedence> ROUTINE

<Classification> UNCLASSIFIED

<Handle Via>

<Action> [CIRAS]RIN(-),YIN(-)

[DOE]EIA(-),NE(-),NN40(-),NN42(-),NN50(-),PO(-),SO40(-)

MSG]EIA(-),IA(-),NE(-),NN40(-),NN42(-),NN50(-),SO40(-)

<Info>

RC = F35D

:Originator> R

:Date/time gro

Station Serial I

ID> MAPUTO (

Format> ACP1.

Time of receipt

RHEBAAA

: RUEHTO #201

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201452Z JUL 01

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.... ... COMMUNITY

LAS SEQION 01 OF 02 MAPUTO 002011

SITIVE

I FOR AF/S, AF/EPS, EB/CBA, AND EB/ESC/IEP

FPLS PASS AID/AFR AND G/EGAD/BD

PLS PASS EXIM BANK, TDA, AND OPIC

TOWN, DURBAN, AND JOHANNESBURG ALSO FOR FCS

C FOR 3131/ITA/ANESA/KBRENNER/JMATHESON/MSTAUNTON

C FOR 4510/ITA/MAC/OA

C FOR 3140/ITA/CS/ODO/AFRICA TEAM

C FOR 6000/ITA/TD/AC/FNAIM

JURY FOR OASIA - E BARBER

2958: N/A

BEXP, EINV, EIND, ENRG, MZ

VRON DECIDES TO SUSPEND OPERATIONS: LACK OF BULK WATER AND ELECTRIC POWER CITED IN

ENT END OF MISP

<References>

REF:00 MAPUTO 02317 AND PREVIOUS

(U) SENSITIVE BUT UNCLASSIFIED - BUSINESS PROPRIETARY INFORMATION - PROTECT ACCORDINGLY.

<Summary>

1. (SBU) ENRON HAS "SUSPENDED" OPERATIONS IN MOZAMBIQUE AND WILL CLOSE ITS OFFICE IN AUGUST. THE DECISION STEMS FROM THE FIRM'S FRUSTRATION IN GAINING SATISFACTORY

ARRANGEMENTS FOR BULK WATER AND ELECTRIC POWER. THE PROJECT, THE MAPUTO IRON AND STEEL PROJECT (MISP), HAS BEEN IN PLANNING FOR THE PAST SEVEN YEARS, AND WAS LOOKED FORWARD TO AS THE FOLLOW-UP INVESTMENT PROJECT TO THE MOZAL ALUMINUM SMELTER. IN THE END, HOWEVER, THE DECISION MAY HAVE STEMMED AS MUCH FROM WORLDWIDE DVERPRODUCTION OF STEEL AND A CORPORATE STRATEGY TO FOCUS ELSEWHERE, THAN FROM THE LOCAL SITUATION. END SUMMARY.

INRON CITES LACK OF COOPERATION FOR WATER/POWER SUPPLY

ENRON RESIDENT CONSULTANT ARTUR GOBE (PROTECT) ECENTLY ADVISED ECON/POL CHIEF THAT THE U.S. ENERGY IANT HAD DECIDED TO SUSPEND OPERATIONS IN MOZAMBIQUE AND OULD CLOSE ITS OFFICE IN MAPUTO BY THE END OF AUGUST 001. THIS DECISION RESULTED FROM A CONCLUSION THAT THE RM WAS NOT COOPERATING SUFFICIENTLY IN ASSISTING ENRON I OBTAINING BULK WATER AND ELECTRIC POWER DELIVERY RRANGEMENTS. ENRON ADVISED BOTH THE MINISTER OF DUSTRY AND COMMERCE AND THE DIRECTOR OF THE INVESTMENT COMOTION CENTER OF THE DECISION IN WRITING IN LATE JUNE. HIS HENCE DRAWS TO A CLOSE THE PLANS FOR THE LONG-ANNED \$1 BILLION MAPUTO IRON AND STEEL PLANT (MISP). (SBU) GOBE OUTLINED THE PAST SEVERAL MONTHS OF USTRATION ON THE PART OF ENRON, WHICH IN THE END WAS WILLING TO WAIT SEVERAL YEARS FOR DISTANT WATER SOURCES BE DEVELOPED OR TO INVEST IN LOCAL PUBLIC WORKS DJECTS. ON THE ELECTRIC POWER SIDE, GOBE STATED THAT E MISP WOULD NEED APPROVAL FROM MOTRACO. THE CONSORTIUM SOUTH AFRICA'S ESKOM, SWAZILAND'S ELECTRIC POWER LITY, AND THE ELECTRICITY OF MOZAMBIQUE, FOR BULK VER TRANSMISSION. TO DATE, NO PROGRESS IN GAINING THIS 'ROVAL HAD BEEN REACHED. GOBE ALSO CITED THE UCTANCE OF GOVERNMENT LIAISON COMMITTEE PRINCIPALS TO END MEETINGS, SENDING SECONDS WHO WERE NOT EMPOWERED MAKE DECISIONS. MOZAL'S PLANNING PROCESS HAD GONE L, HE OPINED, BECAUSE MEETINGS INVOLVED PAID TRIPS TO TH AFRICA, WHEREAS THE MISP MEETINGS WERE IN MAPUTO HOUT ANY FINANCIAL INCENTIVES FOR PARTICIPATION. THIS ILTED IN A "SILENT STRIKE," HE ALLEGED. ENRON WILL 'E THE PROJECT BEHIND, HE CONCLUDED, RETAINING ONLY FED RIGHTS TO DOMESTIC NATURAL GAS DISTRIBUTION, TH HE SAID MAY BE USED BY THE MOZAL ALUMINUM SMELTER.



BACKGROUND ON MISP

<Msq> MSG000616949267

4. (SBU) THE MISP, A PLANNED DIRECT REDUCED IRON AND STEEL SLAB PRODUCTION FACILITY, WOULD HAVE USED NATURAL GAS FROM THE PANDE FIELDS IN CENTRAL MOZAMBIQUE AS A POWER SOURCE VIA A PIPELINE TO BE CONSTRUCTED BY SOUTH AFRICA'S SASOL. THE PLANT WAS DESIGNED TO PRODUCE TWO MILLION TONS PER YEAR, WITH EQUITY PARTICIPATION BY ENRON, KOBE STEEL (JAPAN), TECHINT (ITALY), DUFERCO (SWITZERLAND), VAI (AUSTRIA), AND MIDREX (UNITED STATES).

COMMENT

5. (SBU) THE MISP HAS PROGRESSED IN FITS AND STARTS OVER THE PAST SEVEN YEARS (REFTEL), WITH MOUNTING FRUSTRATION ON BOTH SIDES. LONG SEEN AS A SUCCESSOR INVESTMENT PROJECT TO MOZAL, ENRON'S DECISION WILL DISAPPOINT MANY. IN THE END, HOWEVER, ENRON'S DECISION BT #2011 F35D NNNN



From:

Person, George

Sent:

Friday, June 01, 2001 6:57 PM

To:

Pumphrey, David

Cc:

Coburn, Leonard: Gale, Barry: Price, Robert S: Cutler, Thomas; Sacks, Steve; Lahood,

Samuel; Angulo, Veronica; DL-IA-3.2; Hudome, Randa

Subject:

DAR:5/30 - 6/1/01

National Energy Policy: Continued efforts to develop baseline on existing and planned international activities that support recommendations. (Andrea Lockwood)

Caribbean and Latin American Action: On May 30, 2001, Randa Hudome and representatives from International Affairs (IA) met with the Caribbean and Latin American Action (C/LAA), a non-profit organization, to discuss the issue of deregulation in Latin America and the Caribbean, as well as promotion of private investment in the energy sector. Participants included private sector representative who are on the C/LAA Board, such as the President of ExxonMobil InterAmerica Inc. and Director General of Grupo Imperial of Mexico. Topics included: the National Energy Policy; an upcoming regulators conference (possibly September in Miami) that will help promote regulatory coordination and cooperation in the Hemisphere; ways of advancing the formation of the Energy Business Forum or Network under the Hemispheric Energy Initiative (HEI); and considering a focus on regional cooperative agreements and coordination and energy sector issues in order to gain greater support. The outcomes from the HEI Ministerial in Mexico (March), the Summit of the Americas in Quebec (April), and recent Electricity Working Group Meeting in Mexico were discussed. Also, the meeting covered the upcoming North American Energy Initiative Working Group (with Mexico and Canada) on June 27-28th and C/LAA's initiatives on trade and investment in energy and Miami Conference (December 4-7th). (Gary Ward, Debra Smith, Gina Erickson, Erika Benson)

Mexico: Prepared one-pager to the Secretary on the Electricity and Gas Interconnections and Trade Working Group and provided debriefing. Follow-up actions include evaluating Mexican proposals for corridor study and a process for the Working Group, developing concept paper for cross-border infrastructure workshop with state representatives (possibly in San Antonio in July), and exploring the viability of the North American Development Bank for energy projects with potentially significant environmental benefits. (Kathy Deutsch)

Canada: Worked on revised letter to Minister Goodale and obtained concurrence from State Department and Policy. Fielded calls regarding proposed luncheon meeting at the Canadian Embassy with the Secretary and Alberta Premier Klein (S-2 to be proposed as a surrogate).

Reviewed request for DOE participation in an industry conference on "Far North Oil & Gas", which will be held in September (Calgary). The conference is sponsored by Insight Information and the sub-topic is "Experience Gained, New Developments for Oil & Gas Operations in the Northwest Territories, the Yukon and Alaska". A surrogate to Pumphrey may be the proposed option.

Discussed the Energy Consultative Mechanism Meeting, which State Department has proposed for July 17th in Ottawa.

North American Energy Initiative Working Group: Memorandum from the Secretary to White House Chief of Staff Card, Commerce Secretary Evans, and National Security Council Rice signed and faxed. Agenda revised and sent to State and Commerce for comment. Draft press release reviewed.

30livia: Vice President Quiroga briefed State's Undersecretary Larsen on the development of Bolivian natural gas fields. The discussion followed earlier ones between President Banzer and U.S. Officials in Quebec and Washington. President Banzer expressed an interest in selling Bolivian gas to California. Several options are being explored for shipping Bolivian natural gas to the U.S. market. BG International, and partners, BP Amoco and Repsol, are studying a proposal to build a iguefied Natural Gas (LNG) Plant in Chile to export Bolivian natural gas to Mexico and California.

loteworthy points include: Bolivia increased gas exports to Brazil to help alleviate the electricity crisis in Brazil: Enron ecently put up for sale its interest in the former-state owned energy transportation company (Transredes) and potential uyers are Shell and Petrobras; and Vice President Quiroga will be meeting with BP, Exxon-Mobil, TotalFinaElf, Repsol Films nd others with stakes in Bolivian natural gas (June 11-12th) to seek agreement on a joint approach in the exploration. evelopment and transmission of the gas. (Erika Benson)

rika Benson and Gina Erickson attended Mission Plan Review at State Department. -

U.S.-Africa Energy Partnership: Transmitted letter of invitation from the Secretary to 12 African countries on the Women in Energy Program, which will be held in Washington (two weeks in July). Program is being sponsored by the Office, of Economic Impact and Diversity. (Andrea Lockwood)

Discussed strategy for reinvigorating the Ministerial process and moving forward on the follow-up activities to the Oil Spill Response Workshop.

Hemispheric Energy Initiative: Discussed goals and strategy, including proposed Caribbean Gas Workshop (July), Electricity Regulators Workshop (September), process for evaluating activities, the pending requirement to hold a Steering Committee Meeting under the Mexican Ministerial Declaration, and the functioning and placement of the Coordinating Secretariat. (Gary Ward)

Peru: Discussed viable approaches for getting the bilateral agreement signed and efforts on organizing the Clean Cities Workshop in Lima (mid-July). (Gina Erickson).

Nigeria: Carolyn Gay reviewed outside proposals and responded to requests for information from Price Waterhouse and the consulting firm Thompson Cobb Brazilio and Associates. Worked on updating work plan and financial report related to the DOE-USAID interagency agreement and coordinating a meeting with USAID Nigeria Director Hobgood (in town) and DOE to discuss efforts under the joint program.

Brazil: An Interagency Working Group met on May 31st, to review issues that may be impacted by Brazil's 2002 Presidential Campaign and to plan next steps on existing/planned bilateral agreements and consultative mechanisms. Energy issues were dominant topic at the meeting in light of the current Brazilian energy crisis (energy rationing was scheduled to begin in Brazil June 1st). DOE, State and Commerce agreed to plan for energy consultations in support of the National Energy Policy. DOE emphasized that consultations should cover electric power generation issues, including fossil fuels, renewable energy and energy efficiency, and exploring ways of increasing oil-production in Brazil. See additional (and similar) information via IA-41 write-up and collaboration of Soliman/Ward.

Gary Ward started preparing an assessment of the current energy situation in Brazil and possible roles for DOE, including policy or advocacy interventions on behalf of U.S. companies. Fielded inquiry from Enron representative regarding the situation.

Personnel/Administrative: Continued efforts to improve cable review and distribution process. Met with staff on different issues, including proposed travel, performance plan, developmental objectives, and strengthening the back-up desk officer process. On leave, Carolyn Haylock-White (Thursday). Person on leave Monday (June 4th), Andrea Lockwood will be acting.

From:

Patrice.Williams@mail.doc.gov%internet [Patrice.Williams@mail.doc.gov]

Sent:

Friday, June 15, 2001 4:38 PM

To:

Benson, Erika

Subject:

Re: Exxon Mobil LNG supply terminal???

---- Forwarded by Patrice Williams/TD/ITA/USDOC on 06/15/01 04:30 PM -----

Samual Beatty

To: Patrice Williams D/ITA/USDOC@USDOC

06/14/01

cc:

10:44 AM

Fax to:

Subject: Re: Exxon Mobil LNG supply

terminal???

Some background on Exxon Mobil's LNG activities in Venezuela
---- Forwarded by Samual Beatty/TD/ITA/USDOC on 06/14/2001 10:43 AM ----

Yuri Flores

06/13/2001

To: Samual Beatty/TD/ITA/USDOC@USDOC

06/13/2001

cc: Patricia

06:15 PM

Wagner/VENEZUELA/USFCS/USDOC@USDOC, Javier Jativa/VENEZUELA/USFCS/USDOC@USDOC, Luis Mulet/VENEZUELA/USFCS/USDOC@USDOC, Aline Hernandez/VENEZUELA/USFCS/USDOC@USDOC

Fax to:

Subject: Re: Exxon Mobil LNG supply terminal???(Document link: Samual Beatty)

Dear Sam: It is great to hear from you.

There are two LNG projects envisioned to be developed in Venezuela aside from Williams Enbridge's Accroven project which is already under construction:

The Cristobal Colon Off- Shore LNG Terminal, a venture between Exxon-Mobil/Mitsubishi/Shell and PDVSA, was conceptually designed many years ago. The project was deferred in 1996 due to marginal economics (high gas production costs). The idea was retaken several years ago due to high LNG prices, great prospect markets, a constantly growing energy demand for LNG, and the need to develop the internal market with the capital support from foreign sales of LNG. The project has been re-designed with the advice of PDVSA and as I understand the Venezuelan Ministry of Energy has given the go ahead to Exxon-Mobil and associates to re-do economic feasibility (I believe they signed a MOU).

The other project is Enron's LNG plant. This plant is envisioned to be leveloped in-land to supply PDVSA and other firms. Enron has worked on this project for many years and has even structured the necessary financing using USG agencies like OPIC. They, however, have not been very lucky jetting the LNG or Off-take agreements.

onclusion: I believe the Ministry will base its decision on which plant to uild (if not both) on the fact that It is keen to develop the local ndustry thus adding local value added. However, they will need the cash low that will become available from LNG exports to support the development

of the internal sector. If the government does not decide to build both facilities, I think it will build the one that allows them to feed the local market as well as foreign markets at the lowest cost. The Cristobal Colon Project is great for exporting the LNG because it would be an off-shore platform with very little transportation expenses involved. However, for the local industry transportation costs will increase the landed cost of LNG depending on the method used. In the case of Enron's project, the issue is probably the opposite, local transportation would probably not be an issue will building the terminal would...

I am sure the government has to be ready to make a decision on LNG because I have received a large number of queries on the subject lately. The general gossip is that the off-shore platform has better chances depending, however, on the economic findings of the feasibility.

If you need any further information please let me know.

Best regards,

Yuri Flores Commercial Specialist Energy

From: Samual Beatty on 06/13/2001 03:19 PM Compose Only:

To: Yuri Flores/VENEZUELA/USFCS/USDOC@USDOCcc: Patricia Wagner/VENEZUELA/USFCS/USDOC@USDOCSubject: Exxon Mobil LNG supply terminal???

Hi, Yuri. I hope your week is going well. Thanks again for your input on the Venezuela paper!

Do you know if Exxon Mobil is having any problems with its LNG activities (a supply terminal???) in Venezuela? The reason I ask is that I, along with Patrice Williams of the Advocacy Center, and Tom Welch of MAC, will be meeting with Exxon Mobil on June 18. All we know is that Exxon Mobil wants to discuss its LNG activities in Venezuela. Thanks for any insights!

Have a good evening!

Sam

From:

Sent:

Benson, Erika

Wednesday, July 25, 2001 1:24 PM

To: Cc: Subject: Pumphrey, David Person, George FW: PDVSA letter 0





Attached is the letter to General Lameda from Enron asking for a decision to be made regarding the LNG project at Jose. Andrea was forwarded a copy as well.

Thanks,

Erika

----Original Message----

From: Tom.Briggs@enron.com%internet [mailto:Tom.Briggs@enron.com]

Sent: Wednesday, July 25, 2001 9:59 AM

To: Benson, Erika Subject: PDVSA letter

I hope that this confidential letter is useful. I look forward to working with you.

(See attached file: LamedaLetter july 9 2001.doc)

From:

Subject:

Sent:

Pumphrey, David Monday, October 22, 2001 5:33 PM

To:

Person, George; Lockwood, Andrea; Benson, Erika

FW: ENRON'S JOSE LNG PROJECT

JH-JOSE LNG-2.doc

LNG-1.doc

----Original Message----

From: Hardy Jr, John [mailto:John.Hardy@enron.com]

Sent: Monday, October 22, 2001 4:15 PM

To: Pumphrey, David; Hudome, Randa Subject: ENRON'S JOSE LNG PROJECT

David/Randa.

Attached is some additional information regarding arguments for countering the Venezuela position on Jose LNG. Please review and I would be happy to discuss if that would be helpful.

John Hardy (202) 466-9156

<<JH-JOSE LNG-2.doc>> <<JH-JOSE LNG-1.doc>>

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From:

Pumphrey, David

Sent:

Tuesday, September 25, 2001 2:30 PM

To: Cc:

Benson, Erika; Lockwood, Andrea Person, George; Juckett, Donald

Subject:

RE: DOE Meeting Friday Sep 28 at 10:00 AM

It looks like Enron is not part of the group so we invited them outside. Also Bill Whitsett representing Burlington is always good fro these things.

Don do you see any others that may be missed by the Venezuela Business Council list? ----Original Message----

From: Benson, Erika

Sent: Tuesday, September 25, 2001 2:25 PM

To: Lockwood, Andrea

Cc: Pumphrey, David; Person, George

Subject: FW: DOE Meeting Friday Sep 28 at 10:00 AM

Below is the list of companies that the invitation was sent out to.

----Original Message----

From: nora.scheller@exxonmobil.com%internet

[mailto:nora.scheller@exxonmobil.com]

Sent: Tuesday, September 25, 2001 12:03 PM

To: Benson, Erika

Subject: DOE Meeting Friday Sep 28 at 10:00 AM

Erika - I wanted to cc you on this list, but in my haste to get it sent, I forgot to include you. The cc list below should be the entire US-Venezuelan Business Council, which, of course, includes more than just the energy working group, but I thought since part of the discussion will be Investment Climate, a few of the financial companies might wish to attend as well.

See you Friday.

Nora Scheller

Exxon Mobil Corporation

2001 Pennsylvania Ave., Suite 300

Washington, DC 20006

Fax:

Phone: (202) 862-0275 (202) 862-0267

Email:

Nora.Scheller@exxonmobil.com

PLEASE NOTE MY EMAIL ADDRESS HAS CHANGED.

---- Forwarded by Nora Scheller/Fairfax/Mobil-Notes on 09/25/01 11:52 AM

Nora Scheller

09/25/01 11:49

To:

<dsawaya@research-able.com>

alison_joslyn@merck.com, chaseh@bp.com,

chuck.dominy@halliburton.com,

david greeley@merck.com,

dgmengebier@cmsenergy.com,

don.deline@halliburton.com, drrudd@ppco.com,

frank.urbany@bellsouth.com,

japickart@cmsenergy.com, gkrach@verizon.com,

jim.andrews@halliburton.com, johnsonli@citi.com,

j anthony imler@merck.com,

maggie beute@merck.com,

miller.rs@pg.com,

paige.wunder@bellsouth.com,

@merck.com,

wmir@chevron.com,

AM(Document link: Nora

maryanne.franklin@capmark.funb.com,

m.kay.larcom@usa.conoco.com,

phanrahan@aesc.com, philip.vaughn@fluor.com, ricardo.yepes@capmark.funb.com, rodney lopez2

smithk2210@aol.com, verones@texaco.com,

Van_Yeutter@cargill.com
Subject: DOE Meeting Friday Sep 28 at 10:00

Scheller)



This invite was just sent by Erika Benson who asked for it to be forwarded to you all. Please let Erika know if you will be able to attend. The focus is on energy and the investment climate in Venezuela.

Nora

Recent concerns about the investment climate in Venezuela and the upcoming Principal Coordinators Meeting for the Department of Energy, has prompted an

Industry/Interagency Roundtable next Friday September 28th at 10am-12pm at DOE in room 7E-069. Agenda to be provided.

The Industry portion, the first hour, will be chaired by our new Assistant Secretary for Policy and International Affairs, Vicky Bailey.

Please let Andrea Lockwood (202-586-6082) or I know if you have any questions and if you can attend.

Thanks,

Erika Benson Office of Policy and International Affairs U.S. Department of Energy 202-586-6531

Nora Scheller Exxon Mobil Corporation 2001 Pennsylvania Ave., Suite 300 Washington, DC 20006

Phone: (202) 862-0275 Fax: (202) 862-0267

Email: Nora.Scheller@exxonmobil.com

PLEASE NOTE MY EMAIL ADDRESS HAS CHANGED.

From: Sent:

Hudome, Randa

Tuesday, September 18, 2001 1:07 PM Benson, Erika; Person, George

To:

Subject:

Vene

Importance:

High

1) Did letter go out from ESA to Silva? If so can you fax copy to JOhn Hardy at Enron 331-4717 2) Are vens coming for bilat??

From:

Pumphrey, David

Sent:

Friday, November 02, 2001 6:09 PM

To:

Lockwood, Andrea; Benson, Erika; Person, George

Subject:

FW: LPG PAPER



LPG Industry in Venezuela.doc

----Original Message----

From: Hardy Jr, John [mailto:John.Hardy@enron.com]

Sent: Friday, November 02, 2001 4:27 PM

To: Pumphrey, David Subject: LPG PAPER

David,

Will talk to you on Monday. This is something we would like to include in the bilateral for Venezuela.

John

<<LPG Industry in Venezuela.doc>>

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From:

Whitney Casso [WCasso@ZeusDevelopment.com]

Sent:

Tuesday, July 10, 2001 12:11 PM

To:

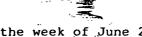
Benson, Erika.

Subject:

LNG's Role in North American & Caribbean Gas Supply



Dear Erika:



Thank you for attending the LNG conference in Arlington the week of June 27. We truly appreciate your participation and your efforts in making the event truly successful.

The presentations are now available on the web, you may access by logging on to www.lngexpress.com/lng2001/presentations/index.asp.

A final summary of the event follows this letter. Please do not hesitate to phone me if you need any additional information, I may be reached at 832-200-3718. Have a safe and prosperous summer!

Warm regards, Whitney Casso Director, Marketing & Communications Zeus Development Corporation wcasso@zeusdevelopment.com

Six Key Conclusions Drawn from North American LNG Conference

The scenarios being drawn by participants in the LNG industry - both old and new - paint a rosy picture for the importation of liquefied natural gas into the United States.

From its conference on "LNG's Role in North American and Caribbean Gas Supply" held in Arlington, Va., June 27-29, Zeus Development Corp. management drew six broad conclusions:

Ample reserves. First, North America has ample gas in "frontier" regions without importing additional quantities of liquefied natural gas (LNG). Speakers from the DOE, Ziff Energy and the Canadian Energy Board identified as much as 1,300 trillion cubic feet (tcf) of probable and possible gas reserves located in deepwater in the Gulf of Mexico, northwestern Canada, the North Slope of Alaska, offshore eastern Canada, coal seams in the Rockies and Appalachians and other locations.

This number might balloon to more than 3,000 tcf if economical technologies can be used to recover gas from deep-ocean hydrates (ice crystals), tight sands and other non-conventional sources.

Assuming the North America consumes 25 to 30 tcf of gas per year, these reserves will supply U.S. markets for decades.

However, the cost of developing and bringing frontier gas to market is likely to be more expensive than imported LNG from such locations as Trinidad, South America, western and northern Africa and even the Middle East and Australia. For this reason, LNG is expected to play a key role in

North American gas supply.

Mary Hutzler, director of integrated analysis and forecasting at the U.S. Energy Department's Energy Information Administration, estimated the full costs of delivering gas from the North Slope of Alaska, for example, where seven to eight billion cubic feet is produced daily with oil production, to the northern border of the United States will significantly exceed \$3 per million Btu (MMBtu) and require about 10 years to construct pipelines. Similar estimates were given for natural gas from the McKenzie Delta of

Canada or offshore Nova Scotia. Only deep Gulf reserves, where costs can be shared with oil exploration, and large coal basins, such as the San Juan, Appalachia or Powder River Basins will offer gas that can be delivered for less than \$3 per MMBtu.

On the other hand, shiploads of LNG can be delivered from two existing plants in Trinidad and Nigeria for less than \$2 per MMBtu, according to estimates from Poten & Partners and Merlin Associates. For this reason, these two plants are undergoing significant expansions.

Regasification terminals. Speakers at the conference were unanimous in their belief that all four of the existing U.S.-mainland LNG terminals would be fully utilized and de-bottlenecked to receive ever-greater quantities of LNG.

Opinions differed, however, on the number of new North American LNG receiving terminals. New terminals and the liquefaction plants to supply them will be expensive.

Much will be dependent on how aggressive exporting nations wish to be in pricing their gas.

According to Gabriel Avgerinos from Poten & Partners, the current sovereign takes from host governments, such as Trinidad; Nigeria, Egypt, Norway and Qatar, range widely from \$0.25 to \$1. Those governments that wish to price their gas aggressively might sway the economics of new plants over expansions of existing ones. New liquefaction plants were discussed in Venezuela, Angola, Nigeria, Egypt, Peru, Chile, Norway and Alaska. Three scenarios for North American receiving and regassification terminals were considered in detail: terminals on the U.S. shoreline; terminals located floating offshore or built on manmade islands; and terminals located in neighboring countries, like Mexico or the Bahamas, with pipelines connected to U.S. gas-distribution grids.

Rob Bryngelson, managing director of business development at El Paso Corp., explained that his company strongly believes three, possibly four, new terminals will be built: one each on the Atlantic and Pacific coasts of Mexico; one in the Bahamas with pipeline access to the United States and possibly one on the North Carolina coast.

Bryngelson said El Paso was most committed developing a 0.5 to 1.0 billion-cubic-feet-per-day terminal on the east coast of Mexico near the town of Altamira, Tamaulipas.

By selecting Kellogg Brown and Root as their engineering and construction company, El Paso is reported to be shortcutting the front-end engineering and design step, thereby shortening the typical terminal construction lead-time.

Bryngelson expects the Altamira terminal to be online by the first quarter of 2004. El Paso is just as committed to serving Mexico's growing gas demand as the United States, he said.

The second terminal El Paso is working fervently to develop will be in the Bahamas. This terminal will supply most of its gas to Florida via undersea pipeline.

"We're a small country of about 300,000 people," noted Bahamian Deputy Prime Minister Frank Watson when asked if the Bahamas would require much of the natural gas from the LNG terminal.

A race is on between Enron, Gaz de France, AES and El Paso to build one or more terminals in the Bahamas. "For any LNG terminal, we will be primarily a gas transshipment point," Watson noted.

Another hot spot for new terminals is Tijuana, Mexico, where gas can be transported via pipeline into California. At least six developers have announced plans to build terminals there.

Local opposition to terminals. One might ask why LNG terminals must be built in the Bahamas and Mexico when the primary market for the gas is the United States.

The third conclusion that could be drawn from the conference is that new terminals will be difficult to build in the United States primarily because of local citizen opposition.

"In California, we hearing a new acronym for NIMBY [not in my backyard]; it's 'NOPE' for 'not on planet Earth,'" noted Steven Schneider, manager of pusiness development at Chevron.

"Let me suggest you do a lot of local education before dropping a large

stack of FERC filings on the table at a local library," said Bob Arvedlund, chief of environmental review and compliance at the Federal Energy Regulatory Commission (FERC) to a group of project developers.

Arvedlund noted that the greatest challenge to any U.S. onshore terminal will be winning local citizen support.

Rich Foley, regulatory gas utility specialist at the FERC, said that the Internet has greatly improved the speed of communication and coordination among opposition groups.

Groups opposed to new industrial development can organize and rally around websites in minutes.

Foley encouraged developers to get in front by providing forthright and complete information to concerned citizen groups, or else, they'll be fighting skilled tacticians through the entire regulatory review process. "All of the jobs and economic benefit you're going to create for the local community will buy you about one day of good press," said Mike Zagrac, managing director at Hill & Knowlton, "As soon as local politicians learn that there is controversy or hazards for their constituents, they'll become your adversaries."

Zagorac said that the principals of an industrial project with which he worked in Florida first painstakingly identified all of the key constituent organizations, from local environmental groups to trade unions, to schedule meetings to discuss and review the proposed project.

He urged developers to build local support early by providing an educational program with an objective assessment of the advantages and disadvantages on all dimensions.

"The old ways of pulling the wool over the public's eyes are dead," said Arvedlund. "The Internet has changed everything."

Average gas prices. The fourth conclusion that could be drawn from the conference is that, while short-term price spikes and troughs are hard to predict, the speakers believed that consumers would begin to curtail their consumption of natural gas as prices reached \$4, forming a psychological ceiling.

At \$4 per MMBtu, consumers begin to switch fuels, noted Tom Woods, principal at Ziff Energy.

Assuming \$3 delivery costs for incremental supplies of natural gas and a \$4 psychological ceiling, delegates could conclude that future long-term gas prices will average somewhere between \$3 and \$4 per MMBtu.

Point-to-point supply chain. The fifth conclusion from the conference is that the old model of building a dedicated point-to-point LNG supply chain is alive.

Both Texaco and Chevron have plans for new North American terminals: one offshore of Louisiana and one either on the west coast of Mexico or California that will take gas directly from West Africa and Australia reserves under their control.

Both companies are less concerned with market vagaries and more concerned about logistical challenges of moving their stranded gas into the North American marketplace.

"We're keeping our options open" said Schneider, when discussing whether Chevron's terminal would be located onshore or offshore or in Mexico or the United States.

He said that Chevron has found that pursuing multiple options is less costly in the long run. Chevron plans to bring gas that it has discovered offshore northwestern Australia to the West Coast. Likewise, Texaco hopes to bring gas it produces from West Africa.

Caribbean power generation. The sixth conclusion is that the Caribbean will require LNG for power generation, but the number of applications is dependent upon the industry's ability to downscale delivery to compete with the economics of petroleum-derived fuels for power plants less than 200 megawatts.

The last LNG terminal built in the United States was constructed in Puerto Rico in 1999. The entire cost of the terminal and 507-MW power plant is reported to be \$670 million, or \$1.3 million per megawatt of capacity. Smaller scale petroleum-fired plants and receiving terminals can be built for as little as \$1.1 million per megawatt of capacity, providing a

challenge for LNG developers, unless LNG prices fall below petroleum-derived fuels.

erika.benson@hq.doe.gov

From:

Whitney Casso [WCasso@ZeusDevelopment.com]

Sent:

Thursday, July 12, 2001 1:38 PM

To:

Benson, Erika

Subject:

LNG Conference Final Attendee List



Dear Erika,



Please review the following complete list of delegates from the 'LNG's Role in North America and Caribbean Gas Supply' conference. Thanks, once again, for registering and please do not hesitate to phone me if you need any additional information.

Warm regards,
Whitney Casso
Director, Marketing & Communications
Zeus Development Corporation
erika.benson@hq.doe.qov

First Name Last Name Company Alfredo Aguilar Secretary of Energy, Mexico Madhu Ahuja California State Lands Commission Harib Al Kitani Oman LNG LLC Rodrigo Alarcon Andina S.A. Petroleum Ernesto Lopez Anadon Repsol-YPF Rodney Anderson US Department of Energy Sal Ardiglinano LP Transportation, Inc. Thomas Armistead VICO Indonesia Bob Arvedlund FERC *ngie Atwater Anadarko Petroleum Corporation Gabriel F.

Avgerinos

Joseph 3'Oris

oten & Partners, Inc.

El paso Global LNG Karen Bailev ExxonMobil Gas Marketing Company Philip Bainbridge B P Birger Balteskard Phillips Petroleum Company Banaszak US Department of Energy Frédéric Barnaud TotalFina Gas & Power & LNG Trading Greg Bartholomew Sempra Energy Global Enterprises Jeff Beale CH-IV Corporation Karen Benedek Arthur D Little Inc. Joar Bengaard Det Norske Veritas Erika Benson US Department of Energy Laurie Beppler BP Ellen **Beswick** Intelligence Press Jerry Birnbaum Energy Research Assoc. J. Michael Bodel1 Unocal Corporation Simon Bonini BG Group Sergio Brandao Shell Gas and Power Larry Brickman Ecology & Environment, Inc. George Briden Snake Hill Ene Arie Britt Yemen Hunt LNG Company Larry 3rown Natural Resource Group, Inc. Robert 3ryngelson El Paso Merchant Energy **dark** 3uetzow

Chevron

Van Ness Feldman Oscar Burroughs Williams Gas Pipeline Jim Busch BP Exploration & Production Guido Caranti Enron Global Markets Phillip Carbone Arthur D Little Inc. Pete Carlone CH-IV Corporation Michael Cathey Transcontinental Gas Pipeline Co. Bill Chesser **AES Andres** Chen-Hwa Chiu Texaco Stephen Christenson Bayerische Landesbank Ronald Christy S&B Engineers & Constructors, LTD Luisa Cipollitti El Paso Energy Mike Clark ITS/Caleb Brett Don H. Coers Chicago Bridge & Iron Company Geoffrey Couper Dynegy Inc. John Cugley Dynegy UK Limited Mendel Daren Energy Research Assoc. Linda Dark Beaufort Historic Preservation Commission Bill Davidor J.C. Carter Company, Inc. James Davis Foster Wheeler USA Corporation Ernesto Daza BP America, Inc. Arnold De Four National Gas Company of Trinidad & Tobago Ltd. 3

John Burnes

Defenbaugh ExxonMobil Gas Marketing Paul Demariano Poten & Partners, Inc. Claude Devillers ANZ Investment Bank Steven Devlin Frederic Deybach Gaztransport & Technigaz Antonio Diaz Repsol-YPF Linda Doman EIA. DIAF Ann Ducca US Department of Energy Teresa . Dyar Enron Brian Earle Irving Oil Limited Chris Ebright Williams James Philip Egger VICO Indonesia Kathy Eisbrenner El Paso Energy Suzanne S. Elder Texaco Energy Systems, Inc. Gina Erickson US Department of Energy Jose M. Estevez PDVSA Gas Peter Ewing TransCanada PipeLines Limited Volker Eyermann Cheniere Energy, Inc Mohamed Farghaly BP Egypt Miranda Ferrell El Paso Merchant Energy Joe Fisher Phillips Petroleum Company Richard Pitzgerald ?raxair, Inc. Steve leischmann

4

CMS Energy Corporation Richard Foley FERC Robert Franson Bear Stearns & Co. Daniel Fuller · MEBA Eli Gal Tanker Pacific Bobby J. Gaspard CMS Trunkline LNG Co. Patrick Genoud Bouyges Linda Geoghegan Texaco Zdenek Gerych Enron International Robert Gibson GLL Management Company LLC Eric Gonzales Enron Global Markets Alberto Gonzalez Santos Gas Natural SDG Alejandro Gonzalez CERA Marcela Gonzalez El Paso Energy Osvaldo Gotera BP Robert Gough Hart Publications Romain Grandbesancon Poten & Partners, Inc. Emily Grothe Natural Resource Group, Inc. Alejandro Guerra BP America, Inc. Hiroki Haba Mitsubishi International Corp Bill Haesloop Nikkiso Cryo, Inc. James Hanazilik Coast Guard Marine Safety Office Jeff Hanig Occidental Energy

From:

Dudley, James L [DudleyJL@state.gov] Thursday, January 31, 2002 2:23 PM

Sent:

'Lockwood, Andrea', 'Juckett, Donald', 'Ducca, Ann', 'Dektsch, Kathleen'

To: Cc:

'Demouy, Louis'; 'Benson, Erika', 'Person, George'

Subject:

RE: Possible Gas Pipelines Rewrite

P.S. FYI, on the Calypso Bahamas project, FERC forwarded me a letter from Calypso saying the company had filed for bankruptcy and had combined its filing with Enron's bankruptcy filing but that the company hoped to sell the project by April. Sounds like they hope some future owner will want to continue the project, so I suppose it should still be included in the report.

----Original Message----

From: Lockwood, Andrea [mailto:Andrea.Lockwood@hq.doe.gov]

Sent: Thursday, January 31, 2002 12:19 PM

To: Juckett, Donald; Ducca, Ann; James Dudley State (E-mail); Deutsch,

Kathleen

Cc: Demouy, Louis; Benson, Erika; Person, George

Subject: RE: Possible Gas Pipelines Rewrite

Here is the revised Future Gas Pipeline chart. Please check it. Thanks <<Future Infrastructure Developments.doc>>

----Original Message-----

Lockwood, Andrea From:

Sent:

Thursday, January 17, 2002 12:49 PM

Juckett, Donald; Ducca, Ann; James Dudley State (E-mail) To:

Demouy, Louis; Benson, Erika; Person, George Cc:

Subject:

Possible Gas Pipelines Rewrite

In the North American ENergy Picture, the Candians asked us to turn our Future Infrastructure Developments charts into bullets so they look less "real". Let me know if these are now correct. Thanks

<< File: Future Infrastructure Developments.doc >>

From:

JHARRNGTN@aol.com%internet [JHARRNGTN@aol.com]

Sent: Thursday, November 29, 2001 7:54 AM To: JHARRNGTN@aol.com%internet cm smarks@travelin.com%internet

Subject: C/LAA's 25th Annual Miami Conference Next Week - Energy Info Plus

Dear Energy Sector Colleague:

For those of you who have not already registered, just a short note to remind you that C/LAA's 25th Annual Miami Conference on the Caribbean and Latin America will take place next week at the Hotel Inter-Continental you may register on-site. The Conference opens with a dinner on Tuesday, lecember 4th, featuring Hipolito Mejia, President of the Dominican Republic. It ends with a gala dinner on Thursday evening featuring a Caribbean rhythms band. Full details and registration information is available at www.claa.org

In addition to an informative and useful energy program, this two day conference will feature sessions highlighting progess on the Free Trade Area of the Americas and keynote talks by Francisco Flores, President of El Salvador, Owen Arthur, Prime Minister of Barbados, Sila Calderon, Governor of Puerto Rico, and Steve Forbes, CEO of Forbes Magazine.

I have put the details of the energy sessions at the end of this note. On Wednesday afternoon, December 5th we have a panel examining energy integration in Central America. We open Thursday, December 6th with an informal breakfast meeting of the C/LAA Energy Business Team to which all energy company representatives are invited; a briefing by ExxonMobil on the ExxonMobil Energy Outlook; and a final panel examining the latest technologies and rules for distributed electricity production.

While this is not an energy conference, the strong energy program together with extensive updates on the process of economic integration in the hemisphere, makes this conference exceptionally useful to energy sector leaders.

Please let me know if you have any questions.

Regards,

John

John M. Harrington, Jr., Ph.D. Senior Economist and Director of Energy Programs Caribbean/Latin American Action 1818 N St. N.W. Suite 500 Washington, DC 20036

Tel: 202-466-7464
Fax: 202-822-0075
Mobile: 703-623-1727
email: jharrngtn@aol.com

CARIBBEAN/LATIN AMERICAN ACTION ENERGY SESSIONS MIAMI CONFERENCE - December 4-7, 2001

Energy Integration in Central America Wednesday, December 5, 2001 4:00-5:30pm

This session will examine the status, opportunities, and obstacles to integration of electricity, natural gas, and petroleum products in Central America. It will provide an update on SEIPAC, the IDB supported electricity

integration program, examine the potential for natural gas supplies from Mexico and Colombia, and discuss the rationalization of petroleum refining and distribution. This session will also examine the lessons learned from this process and how these can apply to other regional groupings such as the Caribbean.

Moderator

David Crabtree, Director, Market Design & Regulatory Analysis, TECO Power Services Corporation

Panel

Evanan Romero, Visiting Scholar, Institute of Latin American Studies, University of Texas
Siegfried Marks, President, Sigmar International
Fernando Cuevas, Chief, Energy Unit, Economic Commission for Latin America and the Caribbean, Mexico
Teófilo de la Torre, Manager, SIEPAC, Costa Rica
Nancy Rivera, Manager, Project Finance, Overseas Private Investment Corporation

Distributed Electricity Production Thursday, December 6, 2001 4:00-5:30pm

This session will examine the technologies, legal, and regulatory frameworks for supporting and encouraging the location of electricity production near the locations of demand. The technologies reviewed will include Fuel cells, wind power, photovoltaics, and micro-turbines. With the current high cost of electricity on islands and in remote areas, this session will review real options for reliable and less expensive power. Because so many of these options are inherently clean, these options will be beneficial in tourist areas.

Moderator Norman Anderson, President, CG/LA Infrastructure

Panel

Maria Reidpath, Western Hemisphere Regional Manager, National Energy Technology Laboratory, U.S. Department of Energy

Mark Lambrides, Project Coordinator, Renewable Energy in the Americas (REIA), Organization of American States

Judith Siegel, Director Clean Energy Group, Winrock International

Sidney Hinton, CEO, PowerSource

Special Energy Session: ExxonMobil Energy Outlook Thursday, December 6, 2001 10:15am-11:45am

This session provides an assessment of the world supply and demand for energy with a special emphasis on Latin America and the Caribbean.

Presenter: Nick F. Karim, Energy Advisor, Corporate Planning, ExxonMobil

C/LAA Energy Business Team Meeting Thursday, December 6, 2001 7:30am-9:00am

Business Team members discuss the plans for supporting laws and regulations that support energy trade and investment for the coming year.

inis note sent to: (ashbc@texaco.com (Ash, Ben C)), (info@summitconnect.com), (jbowles@advocast.com), (brewsrl@texaco.com (Brewster, Rendell L)), (Stephen D Burns@enron.com), (bc64nd68@aol.com), (Jackcarter), (ChaseH@BP.COM (Chase, Howard)), (dacrabtree@tecoenergy.com), (crokem@epenergy.com), (cummiwm@texaco.com), (DagobertoDoug.DelaMorena@equistarchem.com (de la Morena, Dagoberto "Doug")), (mdahlkel@excite.com (mike dahlke)), (decuollo@htinj.com), (richard.t.dobson@exxon.com), (donawkw@texaco.com), (John.D.Donovan@usa.conoco.com), (aedmunds@claa.org), (Theresa.M.Fariello@exxonmobil.com (Fariello, Theresa)), (felio@att.net (Don Felio)), (alfredo.fernandez-sivori@exxonmobil.com), (brian.p.flannery@exxonmobil.com), (foleymt@bpsolar.com), (afuentes@grupoimperial.com.mx), (giroirp@epenergy.com), (ed.w.glab@exxonmobil.com), (dgoldwyn@goldwyn.org), (SGottlieb@oas.org), (jsgraham@ober.com (John Graham)), (laura@ecee.org), (harrisbt@bp.com), (whenry@dukeengineering.com), (joehillings@aol.com(Joe Hillings)) (hoyermauro@hotmail.com (Mauro Hoyer)), (rkeene@mclarty.com), (MLambrides@oas.org (Lambrides, Mark)), (m.kay.larcom@usa.conoco.com), (RLockh3532), (plookadoo@thelenreid.com (Phillip Lookadoo)), (Mariella.Mahan@enron.com), smarks@travelin.com, (McManusMT@state.gov (McManus, Matthew T)), (kmeiman@mclarty.com (Kellie Meiman)), (lmellin@attglobal.net (Larry Mellinger)), (moreac@texaco.com), (mmuylle@worldbank.org), (jnapoli@duke-energy.com), (peter.mckenzie@eds.com (Mckenzie, Peter)), (mjpeters @duke-energy.com), (DJPlanty@claa.org), (lpoggenpohl@icgti.org), (ramsamdp@bp.com), (tim.richards@corporate.ge.com), (rileyrb@bp.com), (riverpw@texaco.com (Rivers, Phillip W)), (MARomeros), (leticiaruiz@infosel.net.mx (Leticia Ruiz)), (bsanchez@sevenseaspetro.com (Bryan B. Sanchez)), (hsantiago@starpower.net (Hank Santiago)), (rsawaya@cais.com), (Nora.Scheller@exxonmobil.com), (aschumacher@bcse.org), (ksherr@pplglobal.com), (ercc@erols.com (Eric Simpkins)), (kylesimpson@morganmeguire.com (Kyle Simpson)), (gthompson@usaid.gov), (Elio.Tortolero@enron.com), (wfwhitsitt@aol.com), (pjwilt@duke-energy.com), (Nohemi.Zerbi@ee.doe.gov), (David.Pumphrey@hq.doe.gov (Pumphrey, David)), (Gary.Ward@hq.doe.gov (Ward, Gary)), (gina.erickson@hq.doe.gov), (Erika.Benson@hq.doe.gov (Benson, Erika)), (Veronica.Angulo@hq.doe.gov (Angulo, Veronica)), (George.PERSON@hq.doe.gov (Person, George)), (MARIA.REIDPATH@netl.doe.gov (Maria Reidpath)), (Randa. Hudome@hq.doe.gov), (Andrea. Lockwood@hq.doe.gov), (Kathleen. De utsch@hq.doe.gov), (Deborah.Smith@hq.doe.gov)

Brian

From: Sent: O'Rourke, Brian J [orourkebj@state.gov] Monday, November 26, 2001 3:19 PM

To: Subject: Deutsch, Kathleen RE: Información

Kathy:

I have a call in to FCS, to ask what its list purports to be.

I know that the following have had offices here within the past 12 months and as far as I know still have: Sempra, AES, Intergen, El Paso Energy, Bechtel, Enron, ExxonMobil, and Cambridge Energy Research Associates. I don't know about GE.

```
> ----Original Message----
            Deutsch, Kathleen [SMTP:Kathleen.Deutsch@hq.doe.gov]
> From:
> Sent:
            Monday, November 26, 2001 12:11 PM
> To: 'O'Rourke, Brian'J'
> Subject: RE: Información
> Dear Brian,
> Thank you so much. This is a good list to have - I learned a lot from
> looking at it.
> One question though - what about SEMPRA, AES, GE or El Paso Natural Gas?
  they have offices in Mexico?
>
  How was your Thanksgiving? Hope it was wonderful!
> Regards,
> Kathy
  ----Original Message----
> From: O'Rourke, Brian J [mailto:orourkebj@state.gov]
> Sent: Monday, November 26, 2001 8:51 AM
> To: Deutsch, Kathleen
 Subject: FW: Información
 Kathy:
      I forward herewith a list of U.S. energy companies provided by the
  Foreign Commercial Service.
      Brian
  > ----Original Message----
            Noé Estrada Palomares [SMTP:nestrada@amcham.com.mx]
  > From:
            Friday, November 23, 2001 10:46 AM
  > Sent:
            orourkebj@state.gov
   To:
                 Información
  > Subject:
  > Estimado Sr. Orourke:
  > Referente a su solicitud de información, anexo le envío el listado de
  > empresas requerido.
  > Espero que la información le sea de utilidad.
 > Atentamente,
> > Lic. Noé Estrada Palomares
> > Asistente Comercial
                                            1
```

- > > Infocenter > > Tel.: 5 141-3800 ext. 3217. > > Fax: 5 705-4033 > > - - - - - - - - -
- > > <<Energia.doc>>

om:

Person, George

jent:

Wednesday, September 05, 2001 11:48 AM

To:

Friedrichs, Mark

Cc:

Erickson, Gina; Benson, Erika; Deutsch, Kathleen

Subject:

RE: Three FE notices re. cross-border (U.S./Mexico) transmission line proposals - FYI

Thanks.

-Original Message

From:

Friedrichs, Mark

Sent:

Wednesday, September 05, 2001 11:43 AM

To:

DeVito, Vincent; Person, George; Conti, John

Subject:

Three FE notices re. cross-border (U.S./Mexico) transmission line proposals - FYI

Mark D. Friedrichs (PO-20) Policy and International Affairs U.S. Department of Energy Washington, D.C. 20585 202-586-0124

Fax: 202-586-3047

----Original Message----

From:

Dean, Diana

Sent: To:

Wednesday, September 05, 2001 11:32 AM

Baer, Mitchell; Barley, Clara; Al Beer; Alan Brownstein; ANDI KASARSKY; Andrea Condrad; Daniel Lillian; David Jhirad; David Pumphrey; Debra James; Denise Freeman; Diana Dean; Donetta Herbert; Ellen Russell; GARY PALMER; Geraldine Paige; Gwendolyn Cowan; Hoyt Johnson; JAMES ROSE; James Turi; Janet Barsy; JAY CASSELBERRY; Jean Vernet; John BRODMAN; Kevin Smith; Larine Moore; Lee Jessee; Marcia Carlson; Mark FRIEDRICHS; Marsha Lawn; Mary Haughey; Maureen Clapper; MELISSA KRUPA; Michael Whatley; Mike Bowers; Mike Uzzle; Neal Strauss; Patricia Coffin; Paul McArdle; RACHEL SAMUEL;

Richard Farman; Robbie Dooms; Rozelle Watts; SAMUEL BRADLEY; Sean Oehlbert; Stanley Lichtman

Subject:

Federal Register Contents for September 5, 2001

Here are the DOE documents published in today's Federal Register.

DOE .

NOTICES

Floodplain and wetlands protection; environmental review determinations; availability, etc.:

Baja California Power, Inc., and Sempra Energy Resources, 46440-46441 (FE1.pdf)

Enron North America Corp., 46441 (FE2.pdf)

San Diego Gas & Electric Co., 46441-46442 (FE2.pdf)

Natural gas exportation and importation: H.Q. Energy Services (U.S.) Inc., 46442-46443 (HQ.pdf)

Meetings: Environmental Management Advisory Board, 46442 (AB.pdf)

Díana L. Dean

Federal Register Liaison Office, 6-7440

<< File: FE1.pdf >> << File: FE2.pdf >> << File: HQ.pdf >> << File: AB.pdf >> Federal Register Table of Contents for September 5, 2001

<< File: toc.9.5.01.pdf >>

From:

Deutsch, Kathleen

Sent:

Wednesday, September 05, 2001 11:00 AM

To:

'Climan, Douglas P'

Subject:

RE: U.S. Energy Association

Don't know, but will check. Kathy

----Original Message----

From: Climan, Douglas P [mailto:ClimanDP@state.gov]

Sent: Tuesday, September 04, 2001 11:41 AM

To: Deutsch, Kathleen

Subject: RE: U.S. Energy Association

Hi Kathy, Back in B.A....sorry we weren't able to get together in Washington at the end of July.

What's the latest word on a possible SecEnergy trip to BA for the World Energy Conference??

Doug Best,

----Original Message----

From: Deutsch, Kathleen [SMTP:Kathleen.Deutsch@hq.doe.gov]

Sent: Tuesday, July 24, 2001 2:45 PM

To: 'Climan, Douglas P'

Cc: Ward, Gary; Erickson, Gina

Subject: RE: U.S. Energy Association

Hi Doug,

I'm glad you'll be in town next week. We would all like to see you (although

with Dave's schedule, it's hard to say if he'll be available or

you here for the entire week? Any chance you could come over on

Thursday instead of Tuesday? I am going to U. of Wisconsin with my son for his

orientation and will be out until the 2nd. If not, please just work

out a

time for the 31st with Gary and Gina directly and I'll get debriefed later.

Regards, Kathy

----Original Message----

From: Climan, Douglas P [mailto:ClimanDP@state.gov]

Sent: Tuesday, July 24, 2001 1:04 PM

To: Deutsch, Kathleen

Subject: RE: U.S. Energy Association

KD, Chance I could stop by your place say mid-afternoon on Tuesday, lug 31?

I'd also like to meet Gina E. and Gary and say hello to Dave oumphrey.

Workable? Best,

----Original Message----

```
From: Deutsch, Kathleen [SMTP:Kathleen.Deutsch@hq.doe.gov]
            Sent: Friday, July 20, 2001 4:49 PM
To: 'Climan, Douglas P'; 'Dudley, James L(Main State)'
                   'Thompson, Stephen H'
                        RE: U.S. Energy Association
            Subject:
            Thanks, Doug. I will send this up the line.
                                                            Didn't know
you were
      coming to
            D.C. Home leave? Are you here all that week? Do you have
time to
      come
            over here and meet with some of the Latin America team?
            Kathy
            ----Original Message----
            From: Climan, Douglas P [mailto:ClimanDP@state.gov]
            Sent: Friday, July 20, 2001 12:19 PM
            To: Deutsch, Kathleen; Dudley, James L(Main State)
            Cc: Thompson, Stephen H
            Subject: U.S. Energy Association
            Kathy, James: USEA Program Manager Bob Donovan met with
Amb. Walsh
      on the
            17th...upshot is that Walsh agreed to host a reception at
the
      residence Oct
            22. Donovan noted that Energy Secretaries had attended
these World
      Energy
            Forum triennial meetings religiously for the past 20
years....he
      noted that
            it is an easy oppty for them to schedule side-meeting bilats
with
      their
            counterparts from a broad range of energy producing
countries.
            Look forward to seeing you both the week of July 30. D
                  ----Original Message----
                  From: Deutsch, Kathleen
[SMTP:Kathleen.Deutsch@hq.doe.gov]
                  Sent: Thursday, July 12, 2001 9:00 PM
                        'Climan, Douglas P'; 'Dudley, James L(Main
State)'
                  Cc:
                        Erickson, Gina; 'Graham, Nancy L';
'Thompson,
      Stephen H';
            'FCS-Wilson, Jim'
                  Subject:
                              RE: U.S. Energy Association
                  Dear Doug,
                  I'll make an inquiry but have a feeling they will
say it is
      too soon
            to say
                  if he is going or not. I'll let you know what I
find out.
                  Kathy
                  ----Original Message----
                  From: Climan, Douglas P [mailto:ClimanDP@state.gov]
                  Sent: Wednesday, July 11, 2001 12:46 PM
```

To: Deutsch, Kathleen; Dudley, James L(Main State)
Cc: Erickson, Gina; Graham, Nancy L; Thompson,

FCS-Wilson,
Jim
Subject: U.S. Energy Association

James, Kathleen:

The 18th World Energy Congress has come up on our

radar again....

Stephen H;

.... A---

Amb.

received yesterday a letter from USEA exec Direct

Barry

Worthington asking

that he host two large receptions for this Oct 18-21

event

in B.A.

Letter .

notes that the Bushes (father and son) and ex-Sec

Richardson

had

attended

the 17th World Energy Congress in Houston in '98.

Letter also notes that current Energy Sec. Abraham .

has been

invited

here as

a guest speaker to the 18th Congress in B.A..

Whether or

not a

cabinet rank

USG official plans to attend this conference will

certainly

have an

impact

on the level of Embassy support the Ambassador

decides to

extend to

the

Could we get something by the end of this week from Abraham's office

on

whether or not he is considering attending and, if

so,

tentative

plans??

Thanks, Doug

----Original Message----

From: Graham, Nancy L

Sent: Tuesday, July 10, 2001 4:36 PM

To: Thompson, Stephen H; Climan, Douglas P

Cc: FCS-Wilson, Jim

Subject: U.S. Energy Association

Everyone:

The Ambassador has received a letter from the U.S.

Energy

Association about

```
the World Energy Congress to take place in Buenos
Aires Oct.
      21-24.
                   Specifically:
                   (1) A representative of the USEA is coming to Buenos
Aires
      July 17.
            The
                   Amb. has agreed to see him (Mr. Rob Donovan) and
would like
      someone
            from
                   ECON to sit in.
                                     Will it be Doug?
                   (2) The letter states that Secretary of Energy
Spencer
      Abraham is
            likely to
                  attend the Energy Congress..
                   (3) The USEA has asked the Ambassador to host two
receptions
      -- Mon
            10/22
                  and Tues 10/23. The first one for 200-300 people,
      Residence,
            with
                  Secy Abraham and other Energy ministers in
              The
attendance.
      second
                  the Residence, but hosted by USEA and possibly
Bechtel and
      other
            companies.
                  ----Original Message----
                  From: Climan, Douglas P
                  Sent: Friday, June 08, 2001 1:58 PM
                        'Michael.Guerriero@enron.com'
                 .Subject:
                             FW: World Energy Congress
                  Hi Mike, I've asked State and Energy to check on
this (see
            below) .. I"ll get
                  back to you. Best, D
                  ----Original Message----
                  From: Dudley, James L
                  Sent: Friday, June 08, 2001 1:52 PM
                        Climan, Douglas P(Buenos Aires)
                              RE: World Energy Congress
                  Subject:
                  Doug- Don't know, but I'd be very surprised if it
were a
      done deal
            this
                  early. Kathy may be able to find out from Abraham's
staff
      whether
            it's on
                  his schedule, but I would caution that Cabinet
members'
     schedules
```

```
this far
                   in advance are always tentative. -James
                         ----Original Message----
                         From: Climan, Douglas P
                         Sent: Friday, June 08, 2001 12:41 PM
                         To:
                               Dudley, James L (Main State);
'Deutsch,
      Kathleen
             (DOE) '
                               'Erickson, Gina (DOE)'
                         Cc:
                                     FW: World Energy Congress
                         Subject:
                         James, Kathleen: Is the Secretary of
Energy's
      attendance at
            the
                  World Energy Congress in Buenos Aires a done deal??
Best, D
                         ----Original Message;----
                         From: Michael.Guerriero@enron.com
                  <mailto:Michael.Guerriero@enron.com>
            [SMTP:Michael.Guerriero@enron.com]
                  <mailto:[SMTP:Michael.Guerriero@enron.com]>
                  <mailto:[SMTP:Michael.Guerriero@enron.com]</pre>
                  <mailto:[SMTP:Michael.Guerriero@enron.com]> >
                         Sent: Wednesday, June 06, 2001 10:14 PM _-
                        To:
                               climandp@state.gov
      <mailto:climandp@state.gov>
                         Cc:
                              marta.ortiz@enron.com
      <mailto:marta.ortiz@enron.com>
                        Subject:
                                     World Energy Congress
                        Carlos Bechelli of the World Energy Congress
      informed us
            that there
                  was the possibility the US embassy would host an
reception
      during
            the World
                  Energy Congress in October noting that the US Sec
of Energy
      would
            be in
                  town for the event. My WEC public relations team is
      responsible for
                  co-ordinating Enron's events and have asked if we
could
      confirm the
                  embassy's intention to host a reception.
                        Please let me know, in the event you know,
and they
      will
            put it
                  into their calendar to avoid other conflicts with
their
      planning of
            the
                  event.
```

Regards MFG

From:

Deutsch, Kathleen

Sent:

Tuesday, January 22, 2002 4:25 PM

To:

'Huffaker, Thomas K'

Subject:

RE: Blake-Harrison Meeting

I'm sure you're right. Guess they must learn to deal with it, but I still think it would be awfully tough.

----Original Message----

From: Huffaker, Thomas K [mailto:huffakertk@state.gov]

Sent: Friday, January 18, 2002 8:59 AM

To: 'Deutsch, Kathleen'

Subject: RE: Blake-Harrison Meeting

Kathy: Thanks. Our guess is that Goodale learned either the day or the night before it happened. There was high expectation of a shuffle, but he may well have not known he was part of it until the day before. Harrison, as a civil servant, may well have learned only late the night before or even that morning. Tom.

----Original Message----

From: Deutsch, Kathleen [mailto:Kathleen.Deutsch@hq.doe.gov]

Sent: January 17, 2002 8:18 PM To: 'HuffakerTK@state.gov'

Cc: 'DudleyJL@state.gov'

Subject: Blake-Harrison Meeting

Tom,

Wanted to pass along the list of topics discussed in the Blake-Harrison meeting, and also the briefing memo I prepared for the mtg. Will send you further details once the meeting gets written up. Here is something I did that will give you a synoposis of key issues raised, etc. FYI, am also attaching the one-pager I did for the Secretary reporting on the Cabinet shuffle. Thanks for all the info and insights you provided.

The Canadians did raise all the issues we expected them to and added a couple (Yucca

Mountain and waste management, and the Secretary's editorial on deregulation that

appeared in the Washington Post that a.m.). George will write up some notes

eventually and I'll pass them along to you and James. In the meantime, attached is the briefing memo we provided the Secretary, and here are the topics they covered: northern gas issues; clean energy; energy efficiency; waste management and other nuclear issues including CANDU reactors (Blake remembered quite a bit from his GE days); fuel cell technology; climate change (said existing policies will get them about 1/3 of the way to their Kyoto goals. Also brought up the issue of emissions credits for their natural gas exports - we did not respond, just said we are still developing our position on climate change); S&T issues and how to make our bilateral S&T relationship work even better - i.e. can we use it to eliminate redundancies, trim costs, etc. by doing more bilaterally instead of unilaterally?; the future of LNG; electricity reliability and RTO issues (concern about sovereignty issues, FERC process, Renewable Portfolio Standards definition); G-8 meeting; and the Enron situation. Harrison also made several pitches during the meeting for a Goodale-Abraham meeting, another call, etc. Not a word about the Cabinet shuffle. (What a way to learn you are out... Suppose the Ministers get some warning or do they get the news with their morning coffee and papers?)

Regards, Kathy

<<Can.Blake-HarrisonMtg.12-06-01Revised4.wpd>>

<<Can.Dhaliwal.AbrahamMemol.wpd>>

From:

hkd2061 [hkd2061@home.com]

Sent:

Tuesday, December 18, 2001 2:28 PM

To: ho

Subject:

CAEM Predictions 2002



REDICTIONS IN 2002.doc

Center for the Advancement of Energy Markets

Wow! What a year 2001 has been for the supporters of energy competition. For every good bit of news (Pat Wood, one of our heroes at CAEM, being selected to head the Federal Energy Regulatory Commission, and the continuing progress that the Canadians - yes, the Canadians - have made towards energy competition), we have had to bear one disaster and misstep after another throughout the year. Let's see, in December 2000, who could have predicted.

- The tragic events of September 11th.
- 2. The California implosion.
- 3. Pennsylvania marketer retrenchment.
- 4. Price volatility and high prices (but it could have been worse if Mother Nature did not help out).
- 5. Bush Energy Plan ignores meaningful restructuring.
- 6. Enron collapse.
- 7. FERC Blinks on Super RTO.
- 8. Texas missteps in pilots for opening the market.
- No leadership emerged to meet the crisis in restructuring.

2001 was one heck of a year - but thankfully, probably the nadir of the movement towards energy competition in North America. As CAEM looks into our crystal ball (natural gas fired, of course) for the coming year, we see a better year. Below are some of the predictions and responses from the CAEM staff about what we expect to occur. The responses below are primarily concerned with electricity, but to a lesser extent, may be applied to natural gas as well.

As always, do not bet the house on what we have to say. We are just a little think tank, kind of like the little engine that could. And we can. And we do.

Happy New Year!

The CAEM Staff

P.S. If you would like to add a prediction or two, please send an e-mail with your name and contact information to Hope Duncan at hduncan@caem.org We will post them to our web site - www.caem.org Please identify which question below is being addressed by your prediction.

From:

Angulo, Veronica

Sent:

Monday, June 11, 2001 3:22 PM

To:

Cc:

Lockwood, Andrea; Pumphrey, David; Person, George; Hudome, Randa

Subject:

Deutsch, Kathleen; Francis, Maria; Benson, Erika RE: Game Plan for NAEWG

Importance:

High

Andrea.

Thank you for your efforts on the attached. I have the following suggestions and questions

Thank you.

Veronica A. Angulo

----Original Message

From:

Lockwood, Andrea

Sent: To:

Thursday, June 07, 2001 1:55 PM

Pumphrey, David; Person, George; Angulo, Veronica; Hudome, Randa

Cc:

Deutsch, Kathleen; Francis, Maria; Benson, Erika

Subject:

RE: Game Plan for NAEWG

Attached is a draft vision/goals paper and a timeline. Let me know what you think. << File: Annotated AGENDA-Vision.doc >> << File: Timeline for Planning NAEWG.doc >>

-Original Message-

From: Pumphrey, David

Sent:

Wednesday, June 06, 2001 11:48 AM

To: Cc: Lockwood, Andrea; Person, George; Angulo, Veronica; Hudorne, Randa DL-IA-3.2

Subject: RE: Meeting with ISAC-6

--Original Message

From:

Lockwood, Andrea

Sent:

Wednesday, June 06, 2001 10:54 AM

To: Person, George; Angulo, Veronica; Pumphrey, David; Hudome, Randa

Cc: DL-IA-3.2 Subject:

Meeting with ISAC-6

Meeting with ISAC 6: Andrea Lockwood briefed the ISAC -6(Industry Sector Advisory Group for Trade Policy Matters on Energy) on June 5. The ISAC group was chaired by Raymond Bragg, a consultant representing Consolidated Natural Gas (CNG). Also present were David Burnett, Picenace Natural Gas; Leslie Coleman National Mining Association; Arthur Downey, Baker Hughes; Dave Gribbin, Halliburton; Terry Thorn, Enron; and Bill Whitsitt, Domestic Petroleum Council. John Rasmussen serves as the point of contact for the group from Commerce. ISAC-6 was chartered by Congress in 1974 and began meeting regularly in 1981. All members of the group have security clearances and are mandated to report to Congress on all relevant matters of trade policy.

At the meeting, Ray Bragg told me that they wrote a report for Congress on the FTA and the FTAA that critiqued the trade agreements and emphasized that the group felt that Mexico was too strong in its positions against private investment in Energy. He said the group was very interested in the NAEWG and would like to actively participate. The group disliked the language in the press statement and the National Energy Policy egating respect for Mexico's constitution and sovereignty and urged us to "leap frog the trade agreements and press for openings, especially with Mexico". I told them the June 27-28 meeting was not open to industry although we hoped to create an ongoing role. They asked that special consideration be given to the ISAC since they are all cleared. They urged ongoing participation by industry. We agreed to stay in close contact.

Deutsch, Kathleen

From: Sent: O'Rourke, Brian J [orourkebj@state.gov] Thursday, April 26, 2001 5:54 PM

Deutsch, Kathleen

To: Subject:

FW: Details on Mexican power plants



----Original Message----From: Sperling, Lawrence I Monday, April 16, 2001 5:49 PM > To: O'Rourke, Brian J > Subject: FW: Details on Mexican power plants Brian - per below, do you have any further details (or can you confirm/deny any of the info Carrie has put together).....? (p.s. - Carey Fitzmaurice is EPA Air Office int'l staffer Lawrence I. Sperling, EPA Attache U.S. Embassy - Mexico City PO Box 3087 Laredo, TX 78044 tel: 011-525-209-9100, ext. 3595 fax: 011-525-208-6541 email: sperlingli@state.gov ----Original Message----Fitzmaurice.Carey@epamail.epa.gov > [SMTP:Fitzmaurice.Carey@epamail.epa.gov] Friday, April 06, 2001 9:34 AM > To: Rios.Gerardo@epamail.epa.gov; Fong.YvonneW@epamail.epa.gov; > Siwik.Allyson@epamail.epa.gov; Witosky.Matthew@epamail.epa.gov; > Yarbrough.James@epamail.epa.gov; Sperling.Lawrence@epamail.epa.gov; > Sowell.Sarah@epamail.epa.gov; Fege.Dave@epamail.epa.gov > Cc: Koshel.Pat@epamail.epa.gov; Roberts.Barbara@epamail.epa.gov; > Moss.Jacob@epamail.epa.gov Subject: Details on Mexican power plants We have begun to get queries from US locales about potential effects on their air quality from power plants on the Mexican side of the US/MX border zone.

1

Give me a call if you have questions.

THANKS

Here is what I have pulled from various messages about new power plant construction on the Mexican side of the border zone.

TransAlta 259MW in Ch. Power to go to CFE. Fuel from Enron.

Intergen/Shell/Bechtel 765 MW gas fired combined cycle with Low XXXX Combustors in Mexicali. NOx will be 25ppm. (How much of power to US?)

Sempra 600 MW gas fired with SCR in Mexicali. All power to US.

coal fired facility (~600MW) in Mexicali (?)

Geothermal (~250MW) in Mexicali(?)

> Existing:

> Carbon I&II 2600 MW coal fired

Private 200-250 MW coal-fired plant has already been built approximately 70 miles south of the Texas border

Others - I seem to remember hearing from Allyson about some??

> TransAlta to Build Second Power Plant in Mexico
> TransAlta Corporation has won a competitive bid to build and operate a
> 259-megawatt power plant in the Mexican state of Chihuahua. The Comision
> Federal de Electricidad (CFE), the state-run utility, will purchase 100%
> of

> the power from the Chihuahua plant under a 25-year power purchase > agreement.

> In addition to power purchase agreements, TransAlta will have a long-term
> fuel supply agreement with Enron. Business Wire, March 8

Last week I had discovered that two gas fired power plants were being constructed in Mexicali.

750 MW with Low NOx Combustors 500-600 MW with SCR

> I have recently found out that there are going to be at least two more, > and one may be a coal fired facility ($\sim600\text{MW}$), the other is unknown at > this time ($\sim250\text{MW}$).

Recently in the border region, two gas fired facilities have begun
 construction in Baja California (750 MW and 600 MW in Mexicali). An
 additional 600 MW coal fired facility is expected to be built in Mexicali
 as well as a 250 MW geothermal facility. These facilities are
 approximately six miles south of Imperial County.

Mr. Birdsall said he and his colleagues had only recently learned that two powerplants, a Sempra Energy plant, and an Intergen/Shell/Bechtel plant, were being proposed for Mexico's Mexicali Valley, and he had strong concerns about the effects of these plants on the shared binational airshed in terms of health effects as well as nonattainment. He said ground-breaking was scheduled for June 2001 and completion for June 2003. Mr. Birdsall expressed concern about lack of prior communication with state and local officials.

Gerardo Monroy spoke briefly about a proposed powerplant to be

7 6-5

3

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Gerardo Monroy spoke briefly about a proposed powerplant to be called Nogales in Agua Prieta, and Karen Chapman talked briefly about the Carbon 1 and 2 plants that already have been built in Piedras Negras, Coahuila.

BT UNCLAS MONTERREY 0404 E.O. 12958: N/A

<Tags>

TAGS: ENRG, EPET, EINV, ETRD, MX

<Subject>

SUBJECT: LIGHTS OUT IN MONTERREY

<References>

REF: MONTERREY 171

<Summary>

1. SUMMARY: OVER 27,000 MONTERREY RESIDENTS SUFFERED CUTSIN ELECTRICITY THIS WEEK IN A PREVIEW OF WHAT COULD BE A LONG, HOT SUMMER. CFE OFFICIALS WARN OF CONTINUOUS BLACKOUTS EVERY TIME TEMPERATURES REACH 38 DEGREES CELSIUS (100F), WHICH OFTEN OCCURS DURING THE SUMMER IN MONTERREY. AS A RESULT, LOCAL POLITICIANS ARE RAISING THEIR VOICES TO CALL FOR FURTHER OPENING OF ELECTRIC

GENERATION TO PRIVATE INVESTMENT. END SUMMARY.

- 2. BEGINNING MONDAY, APRIL 2, MONTERREY BEGAN EXPERIENCING ROLLING BLACKOUTS OF ROUGHLY 30 MINUTES IN VARIOUS PARTS OF THE METROPOLITAN AREA BETWEEN 10:00P.M. AND 11:30P.M., HOURS OF PEAK ENERGY USE. ACCORDING TO CFE (FEDERAL ELECTRIC COMMISSION) SPOKESMAN GUILLERMO DELGADO, THE BLACKOUTS ARE CAUSED BY A SEVERE STRAIN ON NATIONAL GENERATING CAPACITY. LOCAL NEWSPAPER EL NORTE QUOTED DELGADO AS SAYING THAT CFEQS MARGIN OF RESERVE IS AT AN ALL TIME LOW, AND THAT THIS SITUATION COULD CONTINUE FOR THE MAJORITY OF THIS YEAR UNTIL NEW GENERATION FACILITIES COME ON LINE. AS FAR BACK AS OCTOBER 1998, DELGADO HAD TOLD EL NORTE THAT A FAILURE TO UPGRADE CFEQS INFRASTRUCTURE TO MEET INCREASING DEMAND WOULD CREATE A CRISIS, AND NOW IT APPEARS THE CRISIS IS UPON US.
- 3. ACCORDING TO DELGADO, MONTERREY CONSUMES ROUGHLY 2,400 MEGAWATTS OF ELECTRICITY PROVIDED BY THE NORTHEAST GRID, WHICH PRODUCES 6,400 MEGAWATTS SHARED BETWEEN NUEVO LEON, COAHUILA AND TAMAULIPAS. WITH SEVERAL GENERATION PLANTS PRESENTLY UNDER CONSTRUCTION, CFE CLAIMS IT CAN GUARANTEE POWER SUPPLY THROUGH THE YEAR 2004. NONETHELESS, DELGADO STATED THAT THE CFE PLANS TO CONTINUE THE ROLLING BLACKOUTS THROUGHOUT THE SUMMER, WHENEVER THE TEMPERATURE REACHES 38 DEGREES CELSIUS.
- 4. ACCORDING TO NEWSPAPER REPORTS, NUEVO LEONOS LIEUTENANT GOVERNOR, JOSE LUIS COINDREAU, INSISTED THAT MEXICOQS CONGRESS SHOULD ALLOW PRIVATE INVESTMENT IN ELECTRICITY GENERATION. COINDREAU WAS QUOTED AS SAYING QIT IS NOT PRIVATIZATION, SIMPLY CO-EXISTENCE, WHICH WILL OPEN THE DOOR TO FOREIGN INVESTMENT TO BRIDGE THE GAP CREATED OVER THE LAST FIVE OR SIX YEARSQ.
- 5. MONTERREY II, AN ELECTRICAL GENERATION FACILITY CONSTRUCTED BY ABB AND NISSHO IWAI, BECAME OPERATIONAL IN FALL 2000. TWO ADDITIONAL ELECTRICAL GENERATION FACILITIES ARE CURRENTLY UNDER CONSTRUCTION IN MONTERREY WITH SCHEDULED COMPLETION DATES IN FALL 2002. ENRON IS CONSTRUCTING A 200 MEGAWATT FACILITY FOR INDUSTRIAL CONSUMERS (REFTEL) AND IBERDROLA, A SPANISH UTILITY COMPANY, IS CONSTRUCTING MONTERREY III, WHICH IS CAPABLE OF GENERATING 350 MEGAWATTS. NEVERTHELESS, THESE FACILITIES ARE INSUFFICIENT TO MEET PROJECTED DEMAND GROWTH.

#0404 0568 NNNN <Msg> MSG000608284922

Person, George

From:

Pumphrey, David

Sent:

Tuesday, March 21, 2000 5:10 PM

To:

Fariello, Theresa; Person, George; Santiago, Henry; Billig, Michelle; Goldwyn, David;

Lockwood, Andrea

Subject:

FW: Nigeria Background

Here's the material that Enron sent over. They asked us to keep close hold. David, these are the same as I gave you

----Original Message-

From: Chris.Long@enron.com%INTERNET [mailto:Chris.Long@enron.com] < mailto

[mailto:Chris.Long@enron.com]>

Tuesday, March 21, 2000 1:51 PM

To:

Pumphrey, David

Subject:

Nigeria Background







Summary.ppt

Chronology2.ppt

and Steel2.d...

Forwarded by Chris Long/Corp/Enron on 03/21/2000 01:58 PM -----

Keith Sparks@ENRON DEVELOPMENT

02/23/2000 11:24 AM

To:

Chris Long@ENRON

CC:

Subject: ...

Nigeria Background

(See attached file: Transaction Summary.ppt)(See attached file:

Chronology2.ppt)(See attached file: Ministry of Power and Steel2.doc)

- 3x30 MW Barges
- Federal Government/NEPA is purchaser
- Sited at NEPA's Egbin facility
- Term: 13 years and 3 months
- Fueled by Natural Gas supplied by NEPA/NGC (~30 mcf/day)
 - 18 month emergency period Natural Gas is provided free
 - Remainder of the term Natural Gas is provided at a cost to be determined
 - Fuel Cost is always a pass-thru to purchaser
- Price: ~\$0.038/kWh for Capacity Payment plus any fuel cost
- Payment Structure
 - Federal Government/NEPA
 - Cash collateral account (required by institution issuing Letter of Credit)
 - Standby Letter of Credit (LC) to be drawn only upon default
- Credit Structure
 - Escrow Account/Cash collateral account (required by LC issuing institution)
 - Standby LC (\$31 million)
 - Guarantee from Federal Government



Phase II

- 548 MW Independent Power Plant
- Lagor State Government is purchaser
- Sited at Agbara
- Term: 20 years
- Fired by Natural Gas from a supplier to be determined (~150 mcf/day)
 - Fuel is always a pass thru to purchaser
- Capacity price is \$0.029 plus any fuel cost
- Payment Structure
 - Lagos State
 - Cash collateral account (required by institution issuing Letter of Credit)
 - Standby Letter of Credit (LC) to be drawn only upon default
- Credit Structure
 - Escrow Account/Cash collateral account (required by LC issuing institution)
 - Standby LC (\$76 million)
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ENRON

Phase I

- 3x30 MW Barges
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Phase II

- 548 MW Independent Power Plant
- Lago State Government is purchaser
- Sited at Agbara
- Term: 20 years
- Fired by Natural Gas from a supplier to be determined (~150 mcf/day)
 - Fuel is always a pass thru to purchaser
- Capacity price is \$0.029 plus any fuel cost
- Payment Structure
 - Lagos State
 - Cash collateral account (required by institution issuing Letter of Credit)
 - Standby Letter of Credit (LC) to be drawn only upon default
- Credit Structure
 - Escrow Account/Cash collateral account (required by LC issuing institution)
 - Standby LC (\$76 million)
 - Guarantee from Federal Government



Chronology

- January 13th
 - Attorney General issues opinion that PPA is "unconstitutional"
- January 20th-21st
 - Enron Meetings with VP, the VP's committee, and MD NEPA
 - All parties acknowledge the obligation to honor the PPA
 - The MD asks us to evaluate using Egbin as the site for the barges
- January 28th
 - Meeting with the MD NEPA
 - Preliminary indication from Enron engineers that Egbin site was indeed feasible
 - NEPA conveyed that their mandate was to negotiate an 18 month emergency power agreement
- January 31st
 - Letters distributed to President, VP, Minister, and MD indicating our dissatisfaction with the lack of progress on the project
 - Demanded some portion of LC be posted by Feb. 4th
 - Expressly rejected the 18 month term



Chronology

■ February 17th

- Meeting with NEPA (MD and others)
- Enron delivered letter restating its position that during the 2 year
 Emergency Period its price would remain at \$20.04 KW-month as set forth in the PPA
- NEPA reiterated that they want Enron's costs breakdown
- NEPA requested a feasibility study from Enron with regard to the Egbin site even though it was agreed that the project and site is feasible
- NEPA to appoint consultant with regard to its Emergency Power Proggram



Person, George

From:

Brodman, John

Sent:

Friday, August 18, 2000 3:35 PM

To:

DL-IA-3.2; Billig, Michelle; Person, George; Alicia Porter; Calvin Humphrey; Darren Peters; DAVID GOLDWYN; David Jhirad; David Pumphrey; Donna Bobbish; Emma Gilliard; Kate English; Leonard Coburn; Linda WHITTED; Matthew Willis; Robert PRICE; Steve SACKS;

Teresa Beeman; Theresa Fariello

Subject:

Daily Report From IA-32: 08.07.00

Argentina - Assistant Secretary David Goldwyn and other IA representatives will meet with efficials from Enron to discuss an Argentine "stamp tax" issue they have been trying to resolve with the Argentine government. The meeting will take place on Tuesday, August 22 from 1:30 - 2:30 p.m.

AFRICA misc:

- Sandy Guill advised that the Algerian Conference is scheduled for October 29-31, 2000; and October 29 will be a Planning Meeting for the Energy Ministerial in South Africa. The Morocco Experts Meeting is scheduled for October 16-18, 2000.
- -Tom Daughton, the new DCM at our Embassy in Libreville, Gabon, will be coming in to meet with DOE people at 9:30am on Wednsday, Aug. 23rd. The meeting will take place in JB's office. If you want to participate, let me know.
- -The Visitor's Office at the Department of State called to request that DOE meet here with a delegation of about 10 people from the NigerianNational Institute for Policy and Strategic Studies on Wed. morning Aug. 30 for a few hours to discuss DOE and the government's role in the energy sector in the US. Debra Smith will assist in setting up the program for the visit.
- -Still waiting to hear if DEAT will be able to send a representative to the US-S. Africa Clean Energy Working Group meeting tentatively scheduled for Sept. 13-15th in Washington. We have not yet received from S. Africa their theme/concept paper for the Ministerial.
- -President Theodoro Obiang Of Equitorial Guinea will be in Washington on Sept. 11-13th. He has requested a meeting with Secretary Richardson via a letter to the Secretary. Eq. Guiinea is the only Spanish speaking country in West Africa, and US companies play a dominent role in the burdgeoning oil sector there. The President favors US companies, but is interested in establishing ties to the US Latino business ciommunity in oil and gas services. We are getting calls to see if S1 will meet with him.

NIGERIA:

- -attended trip meeting at DOE. Rachel inquired about the possibility of setting up some kind of business meeting for the Secretary at or near the Lagos airport on Sunday night as he transits out from Abuja to Frankfurt. He has a layover in the Lagos airport from about 6:30pm to around 11:00pm. I said I would see if anyone would be interested in organizing something for him.
- -George attended yet another NSC meeting on the trip
- -continued to work on briefing book.
- -provided drafts of papers to DG, CH, and TF
- -Drafted White House Fact Sheet on Enegy cooperation with Nigeria

Washington, Charles

From: Sent: To:

Subject:

Washington, Charles

Monday, July 09, 2001 12:10 PM Price, Robert S; Cutler, Thomas Country Clearance for Price and Cutler

<MCN> 01-00141535 <Message ID> 200118702601 <Pre><Pre>cedence> PRIORITY <Classification> UNCLASSIFIED <Handle Via> <Action> [CIRAS]RIN(-),YIN(-) [DOE] CMS(-), EIA(-), ER(-), FE(-), NE(-), NN40(-), NN42(-), PO(-) [MSG] CMS(-), EIA(-), ER(-), FE(-), IA(-), NE(-), NN40(-), NN42(-) < Info> CRC = 1E4F<Originator> RUEHC <Date/time group> 062305Z JUL 01 <Station Serial Number> 8377

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INFO RUEHKA/AMEMBASSY DHAKA PRIORITY 0000

RUEHKT/AMEMBASSY KATHMANDU 0000 RUEHLM/AMEMBASSY COLOMBO 0000 RUEHIL/AMEMBASSY ISLAMABAD 0000 RUSBAY/AMCONSUL MUMBAI 0000 RUEHCG/AMCONSUL CHENNAI 0000 RUEHCI/AMCONSUL CALCUTTA 0000

UNCLAS STATE 118377

PASS TO (BAGGELER), USAID (D. EDWARDS/N. SHESHDARI)

E.O. 12958: N/A

<Tags>

TAGS: ENRG, TRGY, OTRA, SENV, IN

<Subject>

SUBJECT: COUNTRY CLEARANCE FOR ENERGY DEPARTMENT (DOE) OFFICIALS ROBERT PRICE AND TOM CUTLER TO DELHI, JULY 23-27, 2001

<References>

REF: CUTLER-AGGELER E-MAILS

THIS IS AN ACTION CABLE (SEE PARA 3-5 AND PARA 8). COUNTRY CLEARANCE IS REQUESTED FOR ROBERT PRICE, DIRECTOR OF DOE'S OFFICE OF EUROPEAN AND ASIAN AFFAIRS, AND DOE FOREIGN AFFAIRS OFFICER TOM CUTLER TO VISIT DELHI JULY 23-27, 2001. THE PRIMARY PURPOSE OF THIS VISIT IS TO MOVE FORWARD ON THE IMPLEMENTATION OF THE RECOMMENDATION IN THE PRESIDENT'S NATIONAL ENERGY PLAN (NEP) "TO WORK WITH INDIA'S MINISTRY OF PETROLEUM AND NATURAL GAS TO HELP INDIA MAXIMIZE ITS DOMESTIC OIL AND GAS PRODUCTION." PURSUANT TO THIS NEP RECOMMENDATION, DOE PLANS TO ORGANIZE AN INDO-US CONFERENCE ON NATURAL GAS BEFORE THE END OF THE YEAR IN DELHI AS WELL AS A COAL BED METHANE ROUNDTABLE ON JULY 27 IN DELHI (WHOSE SCALE WILL BE DEPENDENT UPON THE INTEREST OF AMERICAN COMPANIES, SEE PARA 6). DOE HAS OBTAINED LEGAL APPROVAL TO PROCEED WITH COOPERATION IN

NATURAL GAS WITH INDIA, AS CONTAINED IN A MEMORANDUM FROM THE STATE DEPARTMENT'S SOUTH ASIA BUREAU DATED APRIL 6, 2001, STATING THAT THE OFFICE OF THE LEGAL ADVISOR HAS DETERMINED THAT WAIVERS ARE NOT NEEDED AND THAT THIS COOPERATION "MAY PROCEED WITHOUT REGARD TO GLENN AMENDMENT SANCTIONS."A SECONDARY PURPOSE FOR THE DOE VISIT IS TO MEET WITH SENIOR OFFICIALS FROM INDIA'S MINISTRY OF COAL AND OBTAIN THEIR ENDORSEMENT TO ESTABLISH A COAL ADVISORY GROUP (CAG) WITH DOE, WORKING WITH OTHER U.S. AGENCIES SUCH AS USAID AS WELL AS THE PRIVATE SECTOR AND THE ACADEMIC COMMUNITY.

- 3. CUTLER ARRIVES DELHI MONDAY JULY 23 ON UNITED 2 AT 11:30 PM. PRICE ARRIVES TUESDAY JULY 24 AT ON UNITED 2 AT 11:30 PM. EXPEDITOR/TRANSPORT FROM EMBASSY OR HOTEL REQUESTED FOR THEIR ARRIVAL. SINGLE ROOM WITHIN PER DIEM AT THE HYATT REGENCY REQUESTED THE NIGHTS OF JULY 23-27 FOR CUTLER AND JULY 24-27 FOR PRICE. PLEASE PROVIDE HOTEL PHONE, FAX NUMBERS AND ROOM RATE. CUTLER DEPARTS JULY 28 AT 12:50 AM ON NW 35 AND PRICE DEPARTS SAME NIGHT ON LUFTHANSA 761 AT 2:25 AM
- PRICE AND CUTLER REQUEST MEETINGS WITH USG OFFICIALS BEFORE MEETING ANY GOI OFFICIALS. IF POSSIBLE, THEY WOULD LIKE TO FIRST MEET MID MORNING WENDESDAY JULY 25 WITH BRIAN AGGELER/BOB RAPSON IN THE ECON SECTION FOLLOWED BY USAID'S DICK EDWARDS AND/OR JIM BEVER. A SEPARATE MEETING WITH USAEP'S VON MILLARD IS ALSO REQUESTED. IF TIME PERMITS, A COURTESY CALL WITH USFCS WOULD BE WELCOMED. PRICE AND CUTLER, ACCOMPANIED BY DOE CONSULTANT MARK STERN, WOULD THEN LIKE TO MEET WITH AVINASH CHANDRA OF DGH AND RAJEEV KHANNA OF GAIL BEFORE MEETING WITH MINISTRY OF PETROLEUM AND NATURAL GAS JOINT SECRETARY FOR EXPLORATION, J. M. MAUSKAR. (COURTESY CALLS UPON THE MPNG SECRETARY OR MINISTER RAM NAIK WOULD BE WELCOMED BUT ARE NOT EXPECTED). THESE MEETINGS WOULD FOCUS ON THE TIMING, AGENDA AND PARTICIPANTS IN THE INDO-US CONFERENCE ON NATURAL GAS TO BE HELD IN THE FALL. PREPARATIONS FOR THE PROPOSED CBM ROUNDTABLE TENATIVELY SCHEDULED FOR FRIDAY JULY 27 WOULD ALSO BE A KEY TOPIC (NO MEETINGS SHOULD BE SCHEDULED FOR FRIDAY MORNING BECAUSE OF THE CBM EVENT). IDEALLY, THESE MEETINGS WITH GOI OFFICIALS WOULD BE HELD BEFORE THE DOE TEAM (PRICE, CUTLER, STERN) MEETS WITH NON-GOI ENTITIES SO THAT THEY WOULD BE IN A POSITION TO DISCUSS THE CONFERENCE ON THE BASIS OF AGREEMENTS REACHED BETWEEN THE TWO GOVERNMENTS ON THE KEY ISSUES SHAPING THE PROPOSED CONFERENCE . OTHER APPOINTMENTS REQUESTED INCLUDE RON SOMERS OF UNOCAL, LALIT BHATNAGAR OF ENRON OIL AND GAS, AND ANY OTHER REPS OF US OIL AND GAS COMPANIES EMBASSY RECOMMENDS WHO WOULD HAVE AN INTEREST IN THE CONFERENCE. A MEETING WITH AMCHAM OFFICIALS PAT SONTI AND RAMESH BAJPAI IS ALSO REQUESTED. MEETINGS WITH THE INDIAN BUSINESS COMMUNITY ARE ALSO SOUGHT, INCLUDING CII'S ENERGY ADVISOR, MR. V. RAGHURAMAN, AND AN APPROPRIATE OFFICIAL AT FICCI WHO WOULD BE IN A POSITION TO ADVISE DOE ON FICCI'S POSSIBLE INTEREST IN THE PROPOSED GAS CONFERENCE. 5. PRICE AND CUTLER ALSO SEEK AN APPOINTMENT AT THE MINISTRY OF COAL TO DISCUSS THE PROPOSED COAL ADVISORY GROUP (CAG). DOE ASKS THAT AN APPOINTMENT BE REQUESTED WITH SECRETARY OF COAL N.K. SINHA. THIS WOULD BE A FOLLOW-UP TO THE DISCUSSIONS CUTLER HAD WITH SECRETARY SINHA AND MINISTER OF STATE FOR COAL S. SHAHNAWAZ HUSSAIN ON MAY 21 IN HOUSTON DURING CUTLER'S MEETING WITH MPNG MINISTER RAM NAIK. PRICE/CUTLER MAY ASK THAT ANOTHER DOE CONSULTANT HIRED TO MOVE THE CAG CONCEPT FORWARD ATTEND MEETINGS WITH THEM AT THE MINISTRY OF COAL. HIS NAME IS BISWANATH (BISHU) DATTA WITH ENC CONSULTING ENGINEERS; HIS PHONE NUMBER IS 689-0315. NO OTHER MEETINGS ARE REQUESTED ALTHOUGH DOE WELCOMES ANY EMBASSY RECOMMENDATIONS. (NOTE: CUTLER MAY REQUEST PRELIMINARY, INFORMAL MEETINGS WITH BRIAN AGGELER, UNOCAL'S RON SOMERS AND DOE COAL CONSULTANT BISHU DATTA ON TUESDAY JULY 24 PRIOR TO PRICE'S ARRIVAL AFTER WHICH THE OFFICIAL SCHEDULE REQUESTED ABOVE WILL

BEGIN)

- 6. THE CBM ROUNDTABLE TENTATIVELY SCHEDULED THE MORNING OF JULY 27 IS BEING HELD AT THE REQUEST OF THE GOI IN AN EFFORT TO SPARK U.S. INVESTOR ENTHUSIASM IN THE FIRST COAL BED METHANE BID ROUND. DOE AGREED TO CO-ORGANIZE THIS EVENT WITH THE MPNG NOT ONLY BECAUSE FACILITATING U.S. INVESTMENT IN CBM IS CONSISTENT WITH THE NEP RECOMMENDATION BUT ALSO BECAUSE THIS COULD STRENGTHEN THE DOE-MPNG RELATIONSHIP DURING THE PLANNING PROCESS FOR THE INDO-U.S. CONFERENCE ON NATURAL GAS. DOE WAS REPRESENTED AT THE MAY 21 CBM ROAD SHOW IN HOUSTON AND HIRED A CONSULTANT, MARK STERN, WHO IS KNOWLEDGABLE OF CBM. HOWEVER, U.S. FIRMS HAVE NOT SHOWN AN ENTHUSIASM FOR SUBMITTING BIDS FOR EQUITY INTERESTS IN THE CBM ROUND AND THEREFORE, CORPORATE ATTENDANCE AT THE JULY 27 CBM ROUNDTABLE IS LIKELY TO BE LESS THAN THE INDIANS HAD HOPED FOR. DOE OFFICIALS PLAN TO DISCUSS WITH MPNG OFFICIALS THE FACTORS WHICH COMPANIES HAVE SAID LED THEM TO CONCLUDE THAT THE INDIAN BID ROUND WAS NOT SUFFICIENTLY ATTRACTIVE FOR THEM TO MAKE AN OFFER.
- 7. THE AGENDA AND EXPECTED PARTICIPATION FOR THE JULY 27 CBM ROUNDTABLE HAD NOT BEEN FINALIZED AT THE TIME THIS CABLE WAS DRAFTED BUT AN ADVANCE COPY WILL BE SENT TO THE EMBASSY PRIOR TO THE ARRIVAL OF PRICE/CUTLER. IT IS LIKELY THAT PRIVATE SECTOR U.S. PARTICIPATION WILL BE LARGELY FROM TECHNOLOGY PROVIDERS LOOKING TO PROMOTE THEIR SERVICES RATHER THAN CBM DEVELOPERS. EMBASSY STAFF WILL BE INVITED TO ATTEND; A REQUEST FOR A SENIOR EMBASSY OFFICIAL TO OPEN THE EVENT IS NOT ENVISIONED AT THIS TIME AS THE ROUNDTABLE WILL BE MORE OF A TECHNICAL EVENT. DOE IS TRYING TO COORDINATE THIS WITH TDA'S CBM ORIENTATION VISIT IN JULY.
- 8. ACTION REQUESTED: EMBASSY ASSISTANCE IN SETTING UP MEETINGS AND HOTEL ACCOMMODATIONS IS REQUESTED. PLEASE SLUG RESPONSE FOR DOE, IA-42: TOM CUTLER. EMBASSY ASSISTANCE APPRECIATED.

POWELL

BT #8377

1E4F

NNNN

<Msq> MSG000615769081

From: Billig, Michelle

Sent: Friday, February 16, 2001 5:12 PM

To: 'Stickney, Brian R'

Cc: 'Regina.Cunha@mail.doc.gov%internet'; 'etienne.kvassay@mail.doc.gov'

Subject: Brazil energy update

Dear Brian:

I hope the new year finds you relaxed and well rested. I just wanted to touch base with you and check the status of some energy issues in Brazil. Things are progressing smoothly with our energy cooperation. We had some meetings with Brazilian regulators last week and some Brazilian officials are scheduled to train with some of our energy information administration officials this month. Plans are also underway for a biomass workshop in March. We also hope to have a meeting between Secretary Abraham and Minister Tourinho in March during the Hemispheric Energy Ministers Meeting in Mexico.

I just read about ANP's decision to allow Enron and BG access to B-B pipeline. Do you have any further info on that? Also I would greatly appreciate a quick update of any other important energy sector developments and issues that Abraham might want to raise with the Minister.

Look forward to hearing from you.

Best regards, Michelle Billig Office of International Affairs 202/586-3209 (See attached file: attzovq6.dat)